3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Financial assets at fair value through statement of income

Financial assets at fair value through statement of income are initially recognised at cost, excluding transaction costs. These investments are either "held for trading" or "designated".

"Held for trading investments" are acquired principally for the purpose of selling or repurchasing it in the near term or are a part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit taking."Designated investments" are investments which are designated as investments at fair value through statement of income on initial recognition. After initial recognition, financial assets at fair value through statement of income are remeasured at fair value.

Gain or losses arising either from the sale or changes in fair value of "financial assets at fair value through statement of income" are recognised in the statement of comprehensive income.

3.5 Loans and receivables

Loans and receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are measured at amortised cost using the effective interest method less any impairment. Interest income is recognized by applying the effective interest rate, except for short-term advances when the recognition of interest would be immaterial.

3.6 Fair value

For securities traded in organised financial markets, fair value is determined by reference to Stock Exchange quoted market bid prices at the close of business on the statement of financial position date.

For securities where there is no quoted market price, a reasonable estimate of the fair value is determined by reference to the current market value of another instrument which is substantially the same, or is based on the expected discounted cash flows. The determination of fair value is done for each investment individually.

3.7 Trade date and settlement date accounting

All "regular way" purchases and sales of financial assets are recognised on the trade date, i.e. the date that the partnership commits to purchase or sell the assets. Regular way purchases or sales, are transactions that require the delivery of assets within the time frame generally established by regulation or convention in the market place concerned.

3.8 Provisions

A provision is recognised in the statement of financial position when the Partnership has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 Related party transactions

Related parties are general partner, limited partners, investment manager, directors, key management personnal and entities controlled, jointly controlled or significantly influanced by such parties. All related party transactions are carried out in the normal course of business and with the approval of the management.

3.10 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established. Gain on sale of investments is measured by the difference between the sale proceeds and the carrying amount of the investment at the date of disposal, and is recognized at the time of sale. Management fees and performance fees are accrued when services are performed.

3.11 Accrued income

Accrued income are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment losses.

3.12 Accrued expenses

Accrued expenses are recognized initially at cost and subsequently measured at amortized cost.

3.13 Foreign currency translation

Foreign currency transactions are recorded in US$ at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into US$ at the rate of exchange prevailing on the statement of financial position date. Resulting gains or losses on exchange are recorded as part of the results for the year.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY

In the application of the Partnership's accounting polices, which are described in note 3, management is required to make judgements, estimates and assumption about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY (continued).

Judgements

In the process of applying the Fund's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect in the amounts recognised in the financial statements:

Classification of investments

Management decides on acquisition of an investment whether it should be classified as at fair value through statement of income or as available for sale. In making that judgement the Partnership considers the primary purpose for which it is acquired and how it intends to manage and report its performance. Such judgement determines whether it is subsequently measured at cost, amortised cost or at fair value and if the changes in fair value of instruments are reported in profit or loss or in other comprehensive income.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Valuation of unquoted equity investments

Valuation of unquoted equity investments is normally based on one of the following:

- recent arm's length market transactions;
- current fair value of another instrument that is substantially the same ;
- earnings multiple ;
- the expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics; or
- other valuation models.

The determination of the cash flows and discount factors for unquoted equity investments requires significant estimation.

5. CASH AND CASH EQUIVALANTS

	2009	2008
	US$	US$
Bank balances	701,297	1,183,673
Time deposits	2,000,000	19,000,000
Restricted cash	-	900,000
	2,701,297	21,083,673

The time deposits with banks yield interest at 0.35 % (2008: 5.25%) per annum and mature within three months from the date of deposit.

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For the year ended 31 December 2009

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF INCOME

	Fair value at 31 December 2008	Additions during the year	Fair value adjustment at 31 December 2009	Fair value at 31 December 2009
	US$	US$	US$	US$
Unquoted investments:				
Project MPC Global	2,443,870	-	(362,308)	2,081,562
Project Master	33,958,935	8,944,842	15,698,241	58,602,018
Project City	35,556,650	6,000,000	24,241,395	65,798,045
Project Damietta	600,000	-	(600,000)	-
	72,559,455	14,944,842	38,977,328	126,481,625

The financial assets at fair value through statement of income amounting to US$ 126,481,625 is carried at fair value as determined based on the independent third party valuation reports prepared using pricing models and discounted cash flow techniques that are based on non-observable market prices or rates for which an unrealised gain of US$ 38,977,328 was recognised in the statement of comprehensive income for the year.

7. LOANS AND RECEIVABLES

	2009	2008
	US$	US$
Convertible loan:		
At amortised cost	20,000,000	20,000,000
Other loan:		
UNIF	900,000	-
	20,900,000	20,000,000

The convertible loan to KGL International for Ports, Warehousing and Transport K.S.C.C. is for a period of five years with a final maturity date of 26 August 2012.The loan is interest bearing at a simple rate of interest of 28% per annum. Interest on the principal of US$ 20,000,000 is accrued every year and is payable with the principal on maturity of the loan. During the current year no interest has been accrued as the agreement is currently being renegotiated.

The loan is convertible at the option of the Fund into 2 million shares in Damietta International Ports Company. The Fund is entitled to convert the loan to shares at any time before its final settlement on 26 August 2012.

The Fund through its bankers HSBC Bank provided a bank Guarantee of US$ 900,000 to UNIFIED Transport and Logistic Company with a renewed expiry date of 31 December 2009. As per the agreement, guarantee claims and expenses were made during the year amounting to US$ 913,691 and interest of US$ 57,181 has been charged thereon. The interest rate is based on 6% per annum each year on non claimed amounts and 9% per annum on enchased amounts. The above balances are included within loans and receivables, other receivables and accrued interest.

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For the year ended 31 December 2009

8. ACCRUED INTEREST

	2009 US$	2008 US$
Due from KGL International for Ports and Warehousing K.S.C.C. (note 7)	7,563,836	7,563,836
Due from KGL Investments K.S.C.C	558,465	-
Accrued interest on time deposits from banks	1,656	211,060
Interest on UNIF loan (note 7)	57,181	-
	8,181,138	7,774,896

9. OTHER RECEIVABLES

	2009 US$	2008 US$
Due from limited partner – Kuwait Ports Authority*	50,000,000	-
Guarantee charges on UNIF	13,691	-
	50,013,691	-

*This amount has been received in full on 18 July 2010.

10. RELATED PARTY TRANSACTIONS AND BALANCES

	2009 US$	2008 US$
Statement of financial position		
Due from related party		
▪ KGL Investments K.S.C.C	7,186,491	6,980,812
▪ Loans and receivables (note 7)	20,900,000	20,000,000
▪ Due from KGL International for Ports and Warehousing K.S.C.C (note 8)	7,563,836	7,563,836
Due to investment manager		
▪ KGL Investments Cayman Limited	13,462,949	7,076,366

In accordance with the Limited Partnership Agreement, 20% of the profit has been allocated to the Investment Manager as performance fees, KGL Investments Cayman Limited.

In accordance with the Limited Partnership Agreement, 2% of the total capital commitments have been allocated to the Investment Manger, KGL Investments Cayman Limited as management fees.

The Port Fund Limited Partnership
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Notes to the financial statements

For the year ended 31 December 2009

11. GENERAL AND ADMINISTRATIVE EXPENSES

	2009	2008
	US$	US$
Pre-operating expenses	-	717,067
Aborted deal cost	89,571	533,562
Professional fees	837,757	2,221,208
Marketing expenses	2,500,000	-
Travel expenses	29,902	546,659
Others	111,107	209,734
	3,568,337	4,228,230

12. TAXATION

As per the Limited Partnership Agreement Any tax liability arising on the activity of the Fund will be borne by the partners.

13. FINANCIAL RISK MANAGEMENT

The Fund primarily invests in equity related investments in port management companies that operate ports in the fastest growing regions of the world which are the developing markets of the Asia, Africa and the Middle East. The objective of the Fund is to achieve long term capital appreciation through investments in entrepreneurial companies demonstrating the potential for significant growth derived from products and services with international market appeal and demonstrate and sustainable competitive advantages.

The Fund is exposed to a number of risks arising from the various financial instruments it holds. The main risk to which the Fund is exposed is; credit risk, market price risk, interest rate risk and liquidity risk. The risk management policies employed by the Fund to manage these risks are discussed below:

a. Market price risk

The Fund's unquoted investments are susceptible to market price risk arising from uncertainties about future values of investment securities. The Fund's advisor advises the Fund on the investments that have prospects to appreciate in value over the medium to long term period. The advisor's recommendations are reviewed by the General Partner before the investment decisions are implemented.

The performance of investments held by the Fund is monitored by the advisory committee on an ongoing basis and reviewed on a regular basis by the General Partner.

b. Currency risk

The Fund hold assets denominated in currencies other than US$, the functional and presentation currency of the Fund. Consequently the Fund is exposed to currency risk since the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates. The Fund's policy is not enter into any currency hedging transections.

The table below summarise the Fund's exposure to currency risks. Included in the tables are the Fund's assets and liabilities at fair values categorised by their base currencies;

The Port Fund Limited Partnership
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For the year ended 31 December 2009

13. FINANCIAL RISK MANAGEMENT (continued)

c. Concentration of assets and liabilities

As at 31 December 2009	Other currencies	United States Dollars	Total
	US$	US$	US$
Assets			
Convertible loan	-	20,000,000	20,000,000
Other loan	-	900,000	900,000
Financial assets at fair value through statement of income	-	126,481,625	126,481,625
Accrued interest	-	8,181,138	8,181,138
Other receivables		50,013,691	50,013,691
Due from related parties	-	7,186,491	7,186,491
Cash and cash equivalents	305,888	2,395,409	2,701,297
Total assets	305,888	215,158,354	215,464,242
Liabilities			
Due to investment manager	-	(13,462,949)	(13,462,949)
Accrued expenses	-	(5,297,502)	(5,297,502)
Total net assets	305,888	196,397,903	196,703,791
As at 31 December 2008			
Assets			
Convertible loan	-	20,000,000	20,000,000
Financial assets at fair value through statement of income	-	72,559,455	72,559,455
Accrued interest	-	7,774,896	7,774,896
Due from related parties	-	6,980,812	6,980,812
Cash and cash equivalents	533,479	20,550,194	21,083,673
Total assets	533,479	127,865,357	128,398,836
Liabilities			
Due to investment manager	-	(7,076,366)	(7,076,366)
Accrued expenses	-	(165,009)	(165,009)
Total net assets	533,479	120,623,982	121,157,461

13. FINANCIAL RISK MANAGEMENT (continued)

d. Interest rate risk

The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market. Interest income from cash deposits may fluctuate in amount, in particular due to changes in the interest rates. Whilst the Fund seeks to optimise overall performance from the assets it holds, it does not seek to maximise interest income in view of its policy to focus on unquoted investments but one of its investments is in a convertible loan which earns interest.

The following table analyses the interest rate composition of the Fund's net assets.

As at 31 December 2009	**Interest bearing**	**Non-interest bearing**	**Total**
	US$	**US$**	**US$**
Convertible loan	20,000,000	-	20,000,000
Other loan	900,000	-	900,000
Financial assets at fair value through statement of income	-	126,481,625	126,481,625
Accrued interest	-	8,181,138	8,181,138
Other receivables		50,013,691	50,013,691
Due from related parties	-	7,186,491	7,186,491
Cash and cash equivalents	-	2,701,297	2,701,297
Due to investment manager	-	(13,462,949)	(13,462,949)
Accrued expenses	-	(5,297,502)	(5,297,502)
	20,900,000	175,803,791	196,703,791
As at 31 December 2008			
Convertible loan	20,000,000	-	20,000,000
Financial assets at fair value through statement of income	-	72,559,455	72,559,455
Accrued interest	-	7,774,896	7,774,896
Due from related parties	-	6,980,812	6,980,812
Cash and cash equivalents	19,000,000	2,083,673	21,083,673
Due to investment manager	-	(7,076,366)	(7,076,366)
Accrued expenses	-	(165,009)	(165,009)
	39,000,000	82,157,461	121,157,461

e. Liquidity risk

The liquidity risk is that the Fund cannot meet its financial obligations when they fall due. When funds are required capital contributions are called from Partners. As at 31 December 2009 amounts available for call amounted to US$ 57,186,491. The Fund therefore has no liquidity risk for the foreseeable future. Some of the investments are unquoted and are not readily realisable.

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Notes to the financial statements

For the year ended 31 December 2009

13. FINANCIAL RISK MANAGEMENT (continued)

f. Fair value of financial instruments

The Fund used discounted cash flow and other pricing models to value its investments in financial assets at fair value through statement of income that are based on non-observable prices or rates. The Fund's investments in financial assets at fair value through statement of income are classified within level 3 investments.

31 December 2009	Level 3
	US$
Financial assets at fair value through statement of income	
Unquoted investments	126,481,625

Reconciliation of Level 3 fair value measurements of financial assets at fair value through statement of income

31 December 2009	Financial assets at fair value through statement of income
	US $
As at 1 January 2009	72,559,455
Additions during the year	14,944,842
Total gains or losses in valuation	38,977,328
Ending balance	126,481,625

14. COMMITMENTS AND CONTINGENT LIABILITIES

	2009	2008
	US $	US $
Investment commitments	9,812,500	-

The Fund has a Contingent Liability to MPC Global for US$ 9,812,000 of which US$ 2,250,000 was called for during the year ended 2009.This amount has not been paid pending further agreement with MPC Global. There is the possibility of an obligation to pay in the near future as per contractual agreement.

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For the year ended 31 December 2009

15. CAPITAL ACCOUNTS

a) Movement during the year from 1 January 2009 to 31 December 2009

Limited Partners	Total Commitment US$	Balance as at 1st January 2009 US$	Contributions US$	Penalty allocation US$	Equalisation of operating income and expenses b/fwd * US$	2009 Operating Income & Expenses US$	Capital accounts 2009 US$
General Retirement and Pension Authority Qatar	9,852,000	12,855,331	-	1,088,276	(1,051,203)	1,761,841	14,654,245
Gulf Investment Corporation.	10,000,000	13,048,448	-	1,104,625	(1,066,994)	1,788,307	14,874,386
Behbehani Investment Company.	1,000,000	1,304,845	-	110,463	(106,700)	178,831	1,487,439
The Public Institution For Social Security	40,000,000	52,193,797	-	4,418,501	(4,267,983)	7,153,230	59,497,545
Yaqoub Behbehani	1,000,000	1,304,845	-	110,463	(106,700)	178,831	1,487,439
Al Ahlia Holding Company.	3,000,000	3,914,535	-	331,388	(320,098)	536,492	4,462,317
Kuwait Reinsurance Company K.S.C.C	2,000,000	2,609,691	-	220,925	(213,400)	357,661	2,974,877
Al Ahlia Insurance Company.	3,000,000	3,914,535	-	331,388	(320,099)	536,492	4,462,316
Mohammed Ali Al-Naki	3,000,000	3,914,535	-	331,388	(320,099)	536,492	4,462,316
Kgl Investment K.S.C.C	20,000,000	26,096,899	-	2,209,251	(2,133,992)	3,576,615	29,748,773
Kuwait Ports Authority	50,000,000	-	50,000,000	(10,256,668)	9,907,268	8,941,538	58,592,138
	142,852,000	121,157,461	50,000,000	-	-	25,546,330	196,703,791

* Equalisation adjustment made during the year on admittance of Final Close Investor, Kuwait Ports Authority.

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Cayman Islands

Notes to the financial statements

F-- the year ended 31 December 2009

15. CAPITAL ACCOUNTS (continued)

b) Cumulative balances as at 31 December 2009

Limited Partners	Ownership	Cumulative contributions	Penalty allocation	Cumulative Operating Income and Expenses	Capital accounts 2009
	%	US$	US$	US$	US$
General Retirement And Pension Authority Qatar	6.90%	9,852,000	1,088,276	3,713,969	14,654,245
Gulf Investment Corporation	7.00%	10,000,000	1,104,625	3,769,761	14,874,386
Behbehani Investment Company	0.70%	1,000,000	110,463	376,976	1,487,439
The Public Institution For Social Security	28.00%	40,000,000	4,418,501	15,079,044	59,497,545
Yaqoub Behbehani	0.70%	1,000,000	110,463	376,976	1,487,439
Al Ahlia Holding Company	2.10%	3,000,000	331,388	1,130,929	4,462,317
Kuwait Reinsurance Company K.S.C.C	1.40%	2,000,000	220,925	753,952	2,974,877
Al Ahlia Insurance Company	2.10%	3,000,000	331,388	1,130,928	4,462,316
Mohammed Ali Al-Naki	2.10%	3,000,000	331,388	1,130,928	4,462,316
KGL Investment K.S.C.C	14.00%	20,000,000	2,209,251	7,539,522	29,748,773
Kuwait Ports Authority	35.00%	50,000,000	(10,256,668)	18,848,806	58,592,138
	100.00%	142,852,000	-	53,851,791	196,703,791

1-. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to current year's presentation.

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Cayman Islands

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Cayman Islands

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The Investment Manager, General Partner and Professional Advisor of the Fund

Investment Manager:	KGL Investment Cayman Limited Walkers SPV Ltd Walkers House, 87 Mary Street, George Town Grand Cayman KY1-9002 Cayman Islands
General Partner:	Port Link GP Limited C/o Walkers SPV Ltd Walkers House, 87 Mary Street, George Town Grand Cayman KY1-9002 Cayman Islands
Bankers:	HSBC Bank Middle East Limited - Kuwait G/1/2 Floors, Al-Kharafi Tower, Qibla Area, Hamad Al-Saqr Street, P O Box 1683, Safat 13017, Kuwait
Auditors:	Moore Stephens Al-Nisf & Partners P.O.Box: 25578 Safat 13116 Kuwait
Legal Advisors:	Walkers Dubai LLP 5th Floor, The Exhange Building Dubai International Finance Centre PO Box 506513 Dubai
Administrators:	Equity Trust (Mauritius) Limited 3rd Floor, Raffles Tower 19 Cybercity Ebene, Mauritius

STATEMENT OF THE INVESTMENT MANAGER'S RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2010

The Investment Manager of the Fund is responsible for the preparation of the financial statements for each financial period in accordance with the Limited Partnership Agreement which give a true and fair view of the state of affairs of the Fund and of the net expenditure of the Fund for that year. In preparing those financial statements, the Investment Manager is required to:

- Select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the Limited Partnership will continue in business.

The Investment Manager is responsible for keeping the proper accounting records which disclose with reasonable accuracy at any time the financial position of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MOORE STEPHENS
PUBLIC ACCOUNTANTS

AL NISF & PARTNERS

Al Johara Tower, 6th Floor
Khaled Ben Al-Waleed Street, Sharq
P.O. Box: 25578, Safat 13116, Kuwait

Tel : 965 2242 6999
Fax : 965 2240 1666

INDEPENDENT AUDITOR'S REPORT TO THE LIMITED PARTNERS' OF THE PORT FUND LIMITED PARTNERSHIP

Report on the Financial Statements

We have audited the accompanying financial statements of The Port Fund Limited Partnership ("the Fund") which comprise the statement of financial position as at 31 December 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Fund's management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as at 31 December 2010, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Qais M. Al-Nisf
License No. 38-A
Moore Stephens Al Nisf & Partners
Member of Moore Stephens International

Kuwait:11 April 2011

The Port Fund Limited Partnership
Cayman Islands

Statement of financial position

As at 31 December 2010

	Notes	2010 US$	2009 US$
Assets			
Cash and cash equivalents	5	35,722,823	2,701,297
Financial assets at fair value through statement of Income	6	163,887,860	126,481,625
Loans and receivables	7	20,000,000	20,900,000
Accrued interest	8	7,563,836	8,181,138
Prepayments and other receivables	9	7,554	50,013,691
Balances due from related party	10	7,687,184	7,186,491
Total assets		234,869,257	215,464,242
Liabilities			
Accrued expenses		195,537	5,297,502
Balances due to investment manager	10	18,364,345	13,462,949
Total liabilities		18,559,882	18,760,451
Net assets		216,309,375	196,703,791
Represented by:			
Fund capital		142,852,000	142,852,000
Retained earnings		73,457,375	53,851,791
Total equity		216,309,375	196,703,791

The notes on pages 8 to 20 form an integral part of these financial statements.

Investment Manager

The Port Fund Limited Partnership
Cayman Islands

Statement of comprehensive income

For the year ended 31 December 2010

	Notes	2010 US$	2009 US$
Income			
Unrealised gain on financial assets at fair value through statement of income	6	30,019,727	38,977,328
Interest income		430,016	806,009
Total income		30,449,743	39,783,337
Expenses			
Management fees	10	(2,857,040)	(4,281,697)
Impairment loss on financial assets at fair value through statement of income	6	(1,688,492)	-
General and administrative expenses	11	(1,395,497)	(3,568,337)
Foreign exchange loss		(1,734)	(390)
Total expenses		(5,942,763)	(7,850,424)
Profit for the year		24,506,980	31,932,913
Other comprehensive income		-	-
Total comprehensive income for the year		24,506,980	31,932,913
Attributable to investment manager *		4,901,396	6,386,583
Attributable to limited partners		19,605,584	25,546,330
		24,506,980	31,932,913

* The profit allocation to the Investment Manager is as per S 4.2c of the Limited Partnership Agreement.

The notes on pages 8 to 20 form an integral part of these financial statements.

The Port Fund Limited Partnership
Cayman Islands

Statement of changes in equity

For the year ended 31 December 2010

	Fund capital US$	Retained earnings US$	Total equity US$
Balance at 31 December 2008	92,852,000	28,305,461	121,157,461
New capital contribution	50,000,000	-	50,000,000
Total comprehensive income for the year attributable to limited partners	-	25,546,330	25,546,330
Balance at 31 December 2009	142,852,000	53,851,791	196,703,791
Total comprehensive income for the year attributable to limited partners	-	19,605,584	19,605,584
Balance at 31 December 2010	142,852,000	73,457,375	216,309,375

The notes on pages 8 to 20 form an integral part of these financial statements.

The Port Fund Limited Partnership
Cayman Islands

Statement of cash flows

For the year ended 31 December 2010

	Note	2010 US$	2009 US$
OPERATING ACTIVITIES			
Profit for the year		24,506,980	31,932,913
Adjustments for:			
Interest income		(430,016)	(806,009)
Impairment loss on financial assets at fair value through statement of income		1,688,492	-
Unrealised gain on financial assets at fair value through statement of income		(30,019,727)	(38,977,328)
Loss before changes in operating assets and liabilities		(4,254,271)	(7,850,424)
Increase in balances due from related party		(71,251)	(205,679)
Decrease in Accrued interest		617,302	153,879
Decrease /(increase) in prepayments and other receivables		50,006,137	(13,691)
(Decrease) /increase in payable and accruals		(5,101,966)	5,132,492
Net cash from /(used in) operating activities		41,195,951	(2,783,423)
INVESTING ACTIVITIES			
Purchase of financial assets at fair value through statement of income		(9,075,000)	(14,944,842)
Loans		900,000	(900,000)
Interest received		575	245,889
Net cash used in investing activities		(8,174,425)	(15,598,953)
Net increase/(decrease) in cash and cash equivalents		33,021,526	(18,382,376)
Cash and cash equivalents at beginning of the year		2,701,297	21,083,673
Cash and cash equivalents at end of the year	5	35,722,823	2,701,297

The notes on pages 8 to 20 form an integral part of these financial statements.

1. GENERAL INFORMATION

The Port Fund Limited Partnership, ("the Fund") was established on 21 March 2007 and is registered as an exempt limited partnership in the Cayman Islands under the exempted Law (2003 Revision) of the Cayman Islands. The first closing acceptance of committed contributions was on 15 July 2007 and the final closing occurred on 31 December 2009.

The Fund will offer select sophisticated investors the opportunity to participate in the growth and consolidation of the port management industry and related sectors through selected private equity investments in high potential companies on a world wide basis.

The Port Link GP Limited ("General Partner") has appointed KGL Investment Cayman Limited ("Investment Manager") who is responsible for the preparation of the financial statements for each financial period in accordance with the Limited Partnership Agreement.

The Fund will terminate on 31 December 2012, but this may be extended by the General Partner for a period of consecutive periods of one year not exceeding two years in the aggregate, to permit the General Partner to dispose of existing investments in accordance with the Limited Partnership Agreement.

The financial statements of the Fund for the year ended 31 December 2010 were authorized for issue by the General Partner on 11 April 2011.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

2.1 *Standards and Interpretations adopted by the Fund*

The accounting policies adopted are consistent with those of the previous financial year, except for the new and amended IFRS and IFRIC interpretations effective as of 1 January 2010. The adoption of the standards and interpretations did not have any impact on the accounting policies, financial position or performance of the Fund.

2.2 *Standards and Interpretations in issue not yet effective*

• Amendments to IFRS 1, Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters	Effective for annual periods beginning on or after 1 July 2010
• Amendments to IFRS 7, Disclosures Transfers of Financial Assets	Effective for annual periods beginning on or after 1 July 2011
• IAS 24 (as revised in 2009), Related Party Disclosures	Effective for annual periods beginning on or after 1 January 2011
• Amendments to IAS 32, Classification of Rights Issues	Effective for annual periods beginning on or after 1 February 2010
• IFRS 9, Financial Instruments	Effective for annual periods beginning on or after 1 January 2013.
• Amendments to IFRIC 14, Prepayments of a Minimum Funding Requirement	Effective for annual periods beginning on or after 1 January 2011

2 ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (continued)

2.2 *Standards and Interpretations in issue not yet effective (continued)*

• IFRIC 19, Extinguishing Financial Liabilities with Equity Instruments	Effective for annual periods beginning on or after 1 July 2010
• Improvements to IFRSs (issued in May 2010)	Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate

The Investment Manager anticipates that the adoption of these Standards, amendments and interpretations in future periods will have no material financial impact on the financial statements of the Fund in the period of initial application. The Investment Manager is considering the timing and implication of adopting IFRS 9 on its financial position.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs).

3.2 Basis of preparation

The financial statements are prepared on the historical cost basis except for measurement at fair value of financial assets at fair value through statement of income.

The financial statements have been presented in United States Dollar (US$) which is the functional currency of the Fund.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise of cash and bank balances, and time deposits with an original maturity of three months or less from the acquisition date.

3.4 Financial assets at fair value through statement of income

Financial assets at fair value through statement of income are initially recognised at cost, excluding transaction costs. These investments are either "held for trading" or "designated".

"Held for trading investments" are acquired principally for the purpose of selling or repurchasing it in the near term or are a part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit taking. "Designated investments" are investments which are designated as investments at fair value through statement of income on initial recognition. After initial recognition, financial assets at fair value through statement of income are remeasured at fair value.

Gain or losses arising either from the sale or changes in fair value of "financial assets at fair value through statement of income" are recognised in the statement of comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Loans and receivables

Loans and receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are measured at amortised cost using the effective interest method less any impairment. Interest income is recognized by applying the effective interest rate, except for short-term advances when the recognition of interest would be immaterial.

3.6 Fair value

For securities traded in organised financial markets, fair value is determined by reference to Stock Exchange quoted market bid prices at the close of business on the statement of financial position date.

For securities where there is no quoted market price, a reasonable estimate of the fair value is determined by reference to the current market value of another instrument which is substantially the same, or is based on the expected discounted cash flows. The determination of fair value is done for each investment individually.

3.7 Trade date and settlement date accounting

All "regular way" purchases and sales of financial assets are recognised on the trade date, i.e. the date that the Fund commits to purchase or sell the assets. Regular way purchases or sales, are transactions that require the delivery of assets within the time frame generally established by regulation or convention in the market place concerned.

3.8 Provisions

A provision is recognised in the statement of financial position when the Fund has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

3.9 Related party transactions

Related parties are general partner, limited partners, investment manager, directors, key management personnal and entities controlled, jointly controlled or significantly influanced by such parties. All related party transactions are carried out in the normal course of business and with the approval of the management.

3.10 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 Revenue recognition (continued)

Dividend income from investments is recognised when the shareholder's right to receive payment has been established. Gain on sale of investments is measured by the difference between the sale proceeds and the carrying amount of the investment at the date of disposal, and is recognized at the time of sale. Management fees and performance fees are accrued when services are performed.

3.11 Accrued income

Accrued income are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment losses.

3.12 Accrued expenses

Accrued expenses are recognized initially at cost and subsequently measured at amortized cost.

3.13 Foreign currency translation

Foreign currency transactions are recorded in US$ at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into US$ at the rate of exchange prevailing on the statement of financial position date. Resulting gains or losses on exchange are recorded as part of the results for the year.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY

In the application of the Fund's accounting polices, which are described in note 3, management is required to make judgements, estimates and assumption about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

Judgements
In the process of applying the Fund's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect in the amounts recognised in the financial statements:

Classification of investments
Management decides on acquisition of an investment whether it should be classified as at fair value through statement of income or as available for sale. In making those judgements the Fund considers the primary purpose for which it is acquired and how it intends to manage and report its performance. Such judgement determines whether it is subsequently measured at cost, amortised cost or at fair value and if the changes in fair value of instruments are reported in profit or loss or in other comprehensive income.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY (continued)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Valuation of unquoted equity investments

Valuation of unquoted equity investments is normally based on one of the following:

- recent arm's length market transactions;
- current fair value of another instrument that is substantially the same ;
- earnings multiple ;
- the expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics; or
- other valuation models.

The determination of the cash flows and discount factors for unquoted equity investments requires significant estimation.

5. CASH AND CASH EQUIVALENTS

	2010 US$	2009 US$
Bank balances	35,722,823	701,297
Time deposits	-	2,000,000
	35,722,823	2,701,297

The time deposits with banks yield interest at nil (2009: 5.25%) per annum and mature within three months from the date of deposit.

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF INCOME

	Fair value at 31 December 2009 US$	Additions during the year US$	Fair value adjustment at 31 December 2010 US$	Impairment during the year US$	Fair value at 31 December 2010 US$
Unquoted investments:					
Project MPC Global	2,081,562	-	(393,070)	(1,688,492)	-
Project Master	58,602,018	-	25,337,387	-	83,939,405
Project City	65,798,045	9,075,000	5,075,410	-	79,948,455
	126,481,625	9,075,000	30,019,727	(1,688,492)	163,887,860

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF INCOME (continued)

The financial assets at fair value through statement of income amounting to US$ 163,887,860 is carried at fair value as determined based on the independent third party valuation reports prepared using pricing models and discounted cash flow techniques that are based on non-observable market prices or rates for which an unrealised gain of US$ 30,019,727 (2009: US$ 38,977,328) was recognised in the statement of comprehensive income for the year.

7. LOANS AND RECEIVABLES

	2010	2009
	US$	US$
Convertible loan:		
At cost	20,000,000	20,000,000
Other loan:		
UNIFIED Transport and Logistic Company ("UNIF")	-	900,000
	20,000,000	20,900,000

The convertible loan to KGL International for Ports, Warehousing and Transport K.S.C.C. is for a period of five years with a final maturity date of 26 August 2012.The loan is interest bearing at a simple rate of interest of 28% per annum. Interest on the principal of US$ 20,000,000 is accrued every year and is payable with the principal on maturity of the loan. During the current year no interest has been accrued as the agreement is currently being renegotiated.

The loan is convertible at the option of the Fund into 2 million shares in Damietta International Ports Company. The Fund is entitled to convert the loan to shares at any time before its final settlement on 26 August 2012.

The Fund through its bankers HSBC Bank provided a bank Guarantee of US$ 900,000 to UNIF with a renewed expiry date of 31 December 2009. As per the agreement, guarantee claims and expenses were made during 2009 amounting to US$ 913,691 and interest of US$ 57,181 has been charged thereon. The interest rate is based on 6% per annum each year on non claimed amounts and 9% per annum on enchased amounts. During 2010 all these amounts due from UNIF was settled to the fund by a related party.

8. ACCRUED INTEREST

	2010	2009
	US$	US$
Balances due from KGL International for Ports and Warehousing K.S.C.C. (note 7)	7,563,836	7,563,836
Balances due from KGL Investments K.S.C.C	-	558,465
Accrued interest on time deposits from banks	-	1,656
Interest on UNIF loan (note 7)	-	57,181
	7,563,836	8,181,138

9. PREPAYMENTS AND OTHER RECEIVABLES

	2010	2009
	US$	US$
Balances due from limited partner – Kuwait Ports Authority*	-	50,000,000
Prepayments	7,554	-
Guarantee charges on UNIF	-	13,691
	7,554	50,013,691

*This amount has been received in full on 18 July 2010.

10. RELATED PARTY TRANSACTIONS AND BALANCES

	2010	2009
	US$	US$
Statement of financial position		
Balances due from related party		
▪ KGL Investments K.S.C.C	7,687,184	7,186,491
▪ Loans and receivables (note 7)	20,000,000	20,900,000
▪ Balances due from KGL International for Ports, Warehousing and Transport K.S.C.C (note 8)	7,563,836	7,563,836
Balances due to investment manager		
▪ KGL Investments Cayman Limited	18,364,345	13,462,949

In accordance with the Limited Partnership Agreement, 20% of the profit has been allocated to the Investment Manager as performance fees, KGL Investments Cayman Limited.

In accordance with the Limited Partnership Agreement, 2% of the total capital commitments have been allocated to the Investment Manger, KGL Investments Cayman Limited as management fees.

11. GENERAL AND ADMINISTRATIVE EXPENSES

	2010	2009
	US$	US$
Aborted deal cost	-	89,571
Professional fees	315,209	837,757
Marketing expenses	-	2,500,000
Travel expenses	-	29,902
Success fee	1,000,000	-
Others	80,288	111,107
	1,395,497	3,568,337

12. TAXATION

As per the Limited Partnership Agreement Any tax liability arising on the activity of the Fund will be borne by the partners.

13. FINANCIAL RISK MANAGEMENT

The Fund primarily invests in equity related investments in port management companies that operate ports in the fastest growing regions of the world which are the developing markets of the Asia, Africa and the Middle East. The objective of the Fund is to achieve long term capital appreciation through investments in entrepreneurial companies demonstrating the potential for significant growth derived from products and services with international market appeal and demonstrate and sustainable competitive advantages.

The Fund is exposed to a number of risks arising from the various financial instruments it holds. The main risk to which the Fund is exposed is; credit risk, market price risk, interest rate risk and liquidity risk. The risk management policies employed by the Fund to manage these risks are discussed below:

a. Market price risk

The Fund's unquoted investments are susceptible to market price risk arising from uncertainties about future values of investment securities. The Fund's advisor advises the Fund on the investments that have prospects to appreciate in value over the medium to long term period. The advisor's recommendations are reviewed by the General Partner before the investment decisions are implemented.

The performance of investments held by the Fund is monitored by the advisory committee on an ongoing basis and reviewed on a regular basis by the General Partner.

b. Currency risk

The Fund hold assets denominated in currencies other than US$, the functional and presentation currency of the Fund. Consequently the Fund is exposed to currency risk since the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates. The Fund's policy is not to enter into any currency hedging transections.

The table below summarise the Fund's exposure to currency risks. Included in the tables are the Fund's assets and liabilities at fair values categorised by their base currencies;

13. FINANCIAL RISK MANAGEMENT (continued)

c. Concentration of assets and liabilities

As at 31 December 2010	Other currencies	United States Dollars	Total
	US$	US$	US$
Assets			
Convertible loan	-	20,000,000	20,000,000
Financial assets at fair value through statement of income	-	163,887,860	163,887,860
Accrued interest	-	7,563,836	7,563,836
Prepayments and other receivables	-	7,554	7,554
Due from related parties	-	7,687,184	7,687,184
Cash and cash equivalents	402,125	35,320,698	35,722,823
Total assets	402,125	234,467,132	234,869,257
Liabilities			
Due to investment manager	-	(18,364,345)	(18,364,345)
Accrued expenses	-	(195,537)	(195,537)
Total net assets	402,125	215,907,250	216,309,375
As at 31 December 2009			
Assets			
Convertible loan	-	20,000,000	20,000,000
Other Loans	-	900,000	900,000
Financial assets at fair value through statement of income	-	126,481,625	126,481,625
Prepayments and other receivables	-	50,013,691	50,013,691
Accrued interest	-	8,181,138	8,181,138
Due from related parties	-	7,186,491	7,186,491
Cash and cash equivalents	305,888	2,395,409	2,701,297
Total assets	305,888	215,158,354	215,464,242
Liabilities			
Due to investment manager	-	(13,462,949)	(13,462,949)
Accrued expenses	-	(5,297,502)	(5,297,502)
Total net assets	305,888	196,397,903	196,703,791

d. Interest rate risk

The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market. Interest income from cash deposits may fluctuate in amount, in particular due to changes in the interest rates. Whilst the Fund seeks to optimise overall performance from the assets it holds, it does not seek to maximise interest income in view of its policy to focus on unquoted investments but one of its investments is in a convertible loan which earns interest.

13. FINANCIAL RISK MANAGEMENT (continued)

d. Interest rate risk (continued)

The following table analyses the interest rate composition of the Fund's net assets.

As at 31 December 2010	Interest bearing	Non-interest bearing	Total
	US$	US$	US$
Convertible loan	20,000,000	-	20,000,000
Financial assets at fair value through statement of income	-	163,887,860	163,887,860
Accrued interest	-	7,563,836	7,563,836
Prepayments and other receivables	-	7,554	7,554
Due from related parties	-	7,687,184	7,687,184
Cash and cash equivalents	-	35,722,823	35,722,823
Due to investment manager	-	(18,364,345)	(18,364,345)
Accrued expenses	-	(195,537)	(195,537)
	20,000,000	196,309,375	216,309,375
As at 31 December 2009			
Convertible loan	20,000,000	-	20,000,000
Other loan	900,000	-	900,000
Financial assets at fair value through statement of income	-	126,481,625	126,481,625
Accrued interest	-	8,181,138	8,181,138
Prepayments and other receivables		50,013,691	50,013,691
Due from related parties	-	7,186,491	7,186,491
Cash and cash equivalents	-	2,701,297	2,701,297
Due to investment manager	-	(13,462,949)	(13,462,949)
Accrued expenses	-	(5,297,502)	(5,297,502)
	20,900,000	175,803,791	196,703,791

e. Liquidity risk

The liquidity risk is that the Fund cannot meet its financial obligations when they fall due. As at 31 December 2010, the amount available for call and other charges amounted to US$ 7,687,184. The Fund has no liquidity risk for the foreseeable future. Some of the investments are unquoted and are not readily realisable. The maturity profile of the funds liabilities are as follows.

13. FINANCIAL RISK MANAGEMENT (continued)

e. Liquidity risk (continued)

As at 31 December 2010	One to two years	Three to five years	Total
	US$	US$	US$
Due to investment manager	-	18,364,345	18,364,345
Accrued expenses	195,537	-	195,537
	195,537	18,364,345	18,559,882
As at 31 December 2009			
Due to investment manager	-	13,462,949	13,462,949
Accrued expenses	5,297,502	-	5,297,502
	5,297,502	13,462,949	18,760,451

f. Fair value of financial instruments

The Fund used discounted cash flow and other pricing models to value its investments in financial assets at fair value through statement of income that are based on non-observable prices or rates. The Fund's investments in financial assets at fair value through statement of income are classified within level 3 investments.

31 December 2010	Level 3
	US$
Financial assets at fair value through statement of income	
Unquoted investments	163,887,860

31 December 2009	Level 3
	US$
Financial assets at fair value through statement of income	
Unquoted investments	126,481,625

13. FINANCIAL RISK MANAGEMENT (continued)

f. Fair value of financial instruments (continued)

Reconciliation of Level 3 fair value measurements of financial assets at fair value through statement of income

31 December 2010	**Financial assets at fair value through statement of income**
	US $
As at 1 January 2010	126,481,625
Additions during the year	9,075,000
Total gains or losses in valuation	30,019,727
Impairment loss	(1,688,492)
Ending balance	163,887,860

31 December 2009	**Financial assets at fair value through statement of income**
	US $
As at 1 January 2009	72,559,455
Additions during the year	14,944,842
Total gains or losses in valuation	38,977,328
Ending balance	126,481,625

14. COMMITMENTS AND CONTINGENT LIABILITIES

	2010	**2009**
	US $	US $
Investment commitments	15,250,000	9,812,500

The total unfunded commitment of investment in MPC Global is USD 16,250,000. The called but unfunded commitments to MPC Global are in the amount of US$ 15,250,000. This amount has not been paid by the Fund pending MPC Global demonstrating to the Fund's satisfaction that it has complied in all material manners with the MPC Global Private Placement Memorandum. MPC Global commenced its legal proceedings in Luxembourg against the Fund in January 2010 (the "proceedings"). The proceedings are a result of the disagreement between MPC Global and the Fund regarding their respective obligations and responsibilities as per the PPM. There is a possibility of an obligation to pay this amount in the near future as per the PPM.

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Notes to the financial statements

For the year ended 31 December 2010

15. CAPITAL ACCOUNTS

Movement during the year from 1 January 2010 to 31 December 2010

Limited Partners	Ownership %	Total Commitment US$	Cumulative Contributions US$	Previous Years' Profits and Equalisation Adjustments US$	Profit for the Year 2010 US$	Capital accounts 2010 US$
General Retirement and Social Insurance Authority, Qatar	6.90%	9,852,000	9,852,000	5,169,584	1,352,128	16,373,712
Gulf Investment Corporation.	7.00%	10,000,000	10,000,000	5,247,243	1,372,440	16,619,683
Behbehani Investment Company.	0.70%	1,000,000	1,000,000	524,725	137,244	1,661,969
The Public Institution For Social Security	28.00%	40,000,000	40,000,000	20,988,974	5,489,761	66,478,735
Yaqoub Behbehani	0.70%	1,000,000	1,000,000	524,725	137,244	1,661,969
Al Ahlia Holding Company.	2.10%	3,000,000	3,000,000	1,574,174	411,732	4,985,906
Kuwait Reinsurance Company K.S.C.C	1.40%	2,000,000	2,000,000	1,049,448	274,488	3,323,936
Al Ahlia Insurance Company.	2.10%	3,000,000	3,000,000	1,574,173	411,732	4,985,905
Mohammed Ali Al-Naki	2.10%	3,000,000	3,000,000	1,574,173	411,732	4,985,905
Kgl Investment K.S.C.C	14.00%	20,000,000	20,000,000	10,494,487	2,744,882	33,239,369
Kuwait Ports Authority	35.00%	50,000,000	50,000,000	5,130,085	6,862,201	61,992,286
	100.00%	142,852,000	142,852,000	53,851,791	19,605,584	216,309,375

* Equalisation adjustment made on funding by Limited Partner , Kuwait Ports Authority.

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The Investment Manager, General Partner and Professional Advisor of the Fund

Investment Manager:	KGL Investment Cayman Limited Walkers SPV Ltd Walkers House, 87 Mary Street, George Town Grand Cayman KY1-9002 Cayman Islands
General Partner:	Port Link GP Limited C/o Walkers SPV Ltd Walkers House, 87 Mary Street, George Town Grand Cayman KY1-9002 Cayman Islands
Bankers:	HSBC Bank Middle East Limited - Kuwait G/1/2 Floors, Al-Kharafi Tower, Qibla Area, Hamad Al-Saqr Street, P O Box 1683, Safat 13017, Kuwait
Auditors:	BDO Al-Nisf & Partners P.O.Box: 25578 Safat 13116 Kuwait
Legal Advisors:	Walkers Dubai LLP 5th Floor, The Exchange Building Dubai International Finance Centre PO Box 506513 Dubai
Administrators:	TMF Mauritius Limited (Formerly Equity Trust (Mauritius) Limited) 3rd Floor, Raffles Tower 19 Cybercity Ebene, Republic of Mauritius

The Port Fund Limited Partnership
Cayman Islands

Financial statements and independent auditor's report

For the year ended 31 December 2011

STATEMENT OF THE INVESTMENT MANAGER'S RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2011

The Investment Manager of the Fund is responsible for the preparation of the financial statements for each financial period in accordance with the Limited Partnership Agreement which give a true and fair view of the state of affairs of the Fund and of the net expenditure of the Fund for that year. In preparing those financial statements, the Investment Manager is required to:

- Select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the Limited Partnership will continue in business.

The Investment Manager is responsible for keeping the proper accounting records which disclose with reasonable accuracy at any time the financial position of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BDO

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INDEPENDENT AUDITOR'S REPORT TO THE LIMITED PARTNERS' OF THE PORT FUND LIMITED PARTNERSHIP

Report on the Financial Statements

We have audited the accompanying financial statements of The Port Fund Limited Partnership ("the Fund") which comprise the statement of financial position as at 31 December 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Fund Manager is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as at 31 December 2011, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Qais M. Al-Nisf
License No. 38-A
BDO Al Nisf & Partners

Kuwait: 19 February 2012

The Port Fund Limited Partnership
Cayman Islands

Statement of financial position

As at 31 December 2011

	Notes	2011 US$	2010 US$
Assets			
Cash and cash equivalents	5	8,751,010	35,722,823
Financial assets at fair value through statement of Income	6	247,877,008	163,887,860
Loans and receivables	7	20,000,000	20,000,000
Accrued interest	8	-	7,563,836
Prepayments and other receivables		-	7,554
Due from related party	9	6,070,923	7,687,184
Total assets		282,698,941	234,869,257
Liabilities			
Accrued expenses		258,999	195,537
Due to Investment Manager	9	27,917,589	18,364,345
Total liabilities		28,176,588	18,559,882
Net assets		254,522,353	216,309,375
Represented by:			
Fund capital		142,852,000	142,852,000
Retained earnings		111,670,353	73,457,375
Total equity		254,522,353	216,309,375

The accompanying notes on pages 8 to 22 form an integral part of these financial statements.

Investment Manager

The Port Fund Limited Partnership
Cayman Islands

Statement of comprehensive income

For the year ended 31 December 2011

	Notes	2011 US$	2010 US$
Income			
Unrealised gain on financial assets at fair value through statement of income (net)	6	59,564,178	30,019,727
Interest income		499,109	430,016
Total income		60,063,287	30,449,743
Expenses			
Management fees	9	(2,857,040)	(2,857,040)
Impairment loss on financial assets at fair value through statement of income	6	-	(1,688,492)
General and administrative expenses	10	(1,872,711)	(1,395,497)
Impairment provision for accrued interest	8	(7,563,836)	-
Foreign exchange loss		(3,478)	(1,734)
Total expenses		(12,297,065)	(5,942,763)
Profit for the year		47,766,222	24,506,980
Other comprehensive income		-	-
Total comprehensive income for the year		47,766,222	24,506,980
Attributable to investment manager *		9,553,244	4,901,396
Attributable to limited partners		38,212,978	19,605,584
		47,766,222	24,506,980

* The profit allocation to the Investment Manager is as per S 4.2c of the Limited Partnership Agreement.

The accompanying notes on pages 8 to 22 form an integral part of these financial statements.

The Port Fund Limited Partnership
Cayman Islands

Statement of changes in equity

For the year ended 31 December 2011

	Fund capital US$	Retained earnings US$	Total equity US$
Balance at 31 December 2009	142,852,000	53,851,791	196,703,791
Total comprehensive income for the year attributable to limited partners	-	19,605,584	19,605,584
Balance at 31 December 2010	142,852,000	73,457,375	216,309,375
Total comprehensive income for the year attributable to limited partners	-	38,212,978	38,212,978
Balance at 31 December 2011	142,852,000	111,670,353	254,522,353

The accompanying notes on pages 8 to 22 form an integral part of these financial statements.

The Port Fund Limited Partnership
Cayman Islands

Statement of cash flows

For the year ended 31 December 2011

	Note	2011 US$	2010 US$
OPERATING ACTIVITIES			
Profit for the year		47,766,222	24,506,980
Adjustments for:			
Interest income		(499,109)	(430,016)
Impairment provision for accrued interest		7,563,836	-
Impairment loss on financial assets at fair value through statement of income (net)		-	1,688,492
Unrealised gain on financial assets at fair value through statement of income (net)		(59,564,178)	(30,019,727)
		(4,733,229)	(4,254,271)
Changes in operating assets and liabilities:			
Due from related party		2,103,455	(71,251)
Accrued interest		-	617,302
Prepayments and other receivables		7,554	50,006,137
Payable and accruals		63,462	(5,101,966)
Net cash (used in) / from operating activities		(2,558,758)	41,195,951
INVESTING ACTIVITIES			
Purchase of financial assets at fair value through statement of income		(24,424,970)	(9,075,000)
Loans		-	900,000
Interest received		11,915	575
Net cash used in investing activities		(24,413,055)	(8,174,425)
Net (decrease) / increase in cash and cash equivalents		(26,971,813)	33,021,526
Cash and cash equivalents at beginning of the year		35,722,823	2,701,297
Cash and cash equivalents at end of the year	5	8,751,010	35,722,823

The accompanying notes on pages 8 to 22 form an integral part of these financial statements.

The Port Fund Limited Partnership
Cayman Islands

Notes to the financial statements

For the year ended 31 December 2011

1. GENERAL INFORMATION

The Port Fund Limited Partnership, ("the Fund") was established on 21 March 2007 and is registered as an exempt limited partnership in the Cayman Islands under the exempted Law (2003 Revision) of the Cayman Islands. The first closing acceptance of committed contributions was on 15 July 2007 and the final closing occurred on 31 December 2009.

The Fund will offer select sophisticated investors the opportunity to participate in the growth and consolidation of the port management industry and related sectors through selected private equity investments in high potential companies on a world wide basis.

The Port Link GP Limited ("General Partner") has appointed KGL Investment Cayman Limited ("Investment Manager") who is responsible for the preparation of the financial statements for each financial period in accordance with the Limited Partnership Agreement.

The Fund will terminate on 31 December 2012, but this may be extended by the General Partner for up to two consecutive additional one year periods, to permit the General Partner to dispose of existing investments in accordance with the Limited Partnership Agreement.

These financial statements of the Fund for the year ended 31 December 2011 were authorized for issue by the Investment Manager on 19 February 2012.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

2.1 New / revised *IFRS adopted by the Fund*

The accounting policies used in the preparation of these financial statement are consistent with those used in the previous year, except for the adoption of the following new and amended IASB Standards during the year:

- *IAS 24 Related Party Disclosures (Revised)*
  The amendment clarified the definition of a related party to simplify the identification of such relationships and to eliminate inconsistencies in its application. The adoption of the amendment did not have any impact on the financial position or performance of the Fund.

- *IAS 32: Financial Instruments: Presentation - (Amended)*
  The amendment alters the definition of a financial liability in IAS 32 to enable entities to classify rights issues in foreign currency and certain options or warrants as equity instruments. The amendment is applicable if the rights are given pro rata to all of the existing owners of the same class of an entity's non-derivative equity instruments, to acquire a fixed number of the entity's own equity instruments for a fixed amount in any currency. The amendment has had no effect on the financial statements or performance of the Fund.

- *IAS 1 Presentation of Financial Statements (Amendment)*
  The amendment clarifies that an entity may choose to present the required analysis of items of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. The adoption of the amendment did not have any impact on the financial position or performance of the Fund.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (continued)

2.2 *New / revised IFRS in issue but not yet effective and not early adopted by the Fund*

Standards issued but not yet effective up to the date of issuance of the Fund's financial statements are listed below. This listing of standards issued are those that the Fund reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Fund intends to adopt these standards when they become effective.

- *IFRS 7 Financial Instruments: Disclosures — Enhanced Derecognition Disclosure Requirements*
  The amendment requires additional disclosure about financial assets that have been transferred but not derecognised to enable the user of the Fund's financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendment requires disclosures about continuing involvement in derecognised assets to enable the user to evaluate the nature of, and risks associated with, the Fund's continuing involvement in those derecognised assets. The amendment becomes effective for annual periods beginning on or after 1 July 2011. The amendment affects disclosure only and has no impact on the Fund's financial position or performance.

- *IFRS 9 Financial Instruments*
  IFRS 9 as issued reflects the first phase of the IASBs work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. The Standard is effective for annual periods beginning on or after 1 January 2015. In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The adoption of the first phase of IFRS 9 will have an effect on the classification and measurement of the Fund's financial assets, but will potentially have no impact on classification and measurements of financial liabilities. The Fund will quantify the effect in conjunction with the other phases, when issued, to present a comprehensive picture.

- *IFRS 13 Fair Value Measurement*
  IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. The standard does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The Fund is yet to assess IFRS 13's full impact and intends to adopt IFRS 13 no later than the accounting period beginning on or after 1 January 2013.

3. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs).

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of preparation

These financial statements are prepared on the historical cost basis except for measurement at fair value of financial assets at fair value through statement of income.

These financial statements have been presented in United States Dollar (US$) which is the functional and presentation currency of the Fund.

Financial Instruments

Classification and measurement
The Fund classifies its financial assets as "financial assets at fair value through statement of income" and "loans and receivables" . Financial liabilities are classified as "other than at fair value through statement of income". All financial instruments are initially recognised at its fair value plus, transaction costs that are directly attributable to the acquisition of the financial instrument. The Investment Manager determines the appropriate classification of each instrument at the time of acquisition.

Financial assets at fair value through statement of income(FVTSI)
Investments are classified as FVTSI where the financial asset is either held for trading or it is designated as FVTSI.

A financial asset is classified as held for trading if: (i) it has been acquired principally for the purpose of selling in the near future; or (ii) it is a part of an identified portfolio of financial instruments that the Fund manages together and has a recent actual pattern of short-term profit-taking; or (iii) it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as FVTSI upon initial recognition if: (i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or (ii) the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Fund's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or (iii) it forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTSI.

Financial assets at FVTSI are stated at fair value, with any resultant gain or loss recognised in the statement of comprehensive income. The net gain or loss recognised in the statement of comprehensive income incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described in note 12.

Loans and receivables
These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are subsequently remeasured and carried at amortised cost, less any provision for impairment.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Loans and receivables(continued)
Loans and receivables include convertible loan, cash and cash equivalents and due from related parties.

Cash and cash equivalents
Cash and cash equivalents comprise of cash and bank balances, and fixed deposits with banks with an original maturity of three months or less from the placement date.

Amortised Cost
Amortised cost is computed by taking into account any discount or premium on acquisition of the financial instrument and fees and costs that are an integral part of the effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period. The effective interest rate method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period.

Financial Liabilities
Financial liabilities are classified as "other than at fair value through statement of income". These are subsequently remeasured at amortised cost using the effective interest rate method. Financial liabilities represent due to Investment Manager.

Recognition and de-recognition

A financial asset or a financial liability is recognised when the Fund becomes a party to the contractual provisions of the instrument.

All 'regular way' purchase and sale of financial assets are recognized using trade date accounting. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulations or conventions in the market place.

A financial asset (in whole or in part) is derecognised where:

- the contractual rights to receive cash flows from the asset have expired,; or
- the Fund retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Fund has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Fund has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Fund's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Fund could be required to repay.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and recognition of a new liability and the difference between the carrying amount of the financial liability (or part of the financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of comprehensive income.

Impairment of financial assets
Financial assets are assessed for indicators of impairment at each financial position date. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been impacted.

Objective evidence of impairment could include:
- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. Individual impairment is identified at counterparty specific level; following objective evidence the financial asset is impaired. This may be after an interest or principal payment is defaulted or when a contract covenant is breached. The present value of estimated cash flow recoverable is determined after taking into account any security held.

The carrying amount of the financial asset is reduced by the impairment loss directly. If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Provisions

A provision is recognised in the statement of financial position when the Fund has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established. Gain on sale of investments is measured by the difference between the sale proceeds and the carrying amount of the investment at the date of disposal, and is recognized at the time of sale. Management fees and performance fees are accrued when services are performed.

Accrued income

Accrued income is recognised at fair value.

Accrued expenses

Accrued expenses are recognized at cost.

Foreign currency translation

Foreign currency transactions are recorded in US$ at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into US$ at the rate of exchange prevailing on the financial position date. Resulting gains or losses on exchange are recorded as part of the results for the year.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY

In the application of the Fund's accounting policies, which are described in note 3, the Investment Manager is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements, apart from those involving estimations (see below), that Investment Manager has made in the process of applying the Fund's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY (continued)

Classification of investments
The classification of investments depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Fund classifies all its investments as FVTSI.

Key sources of estimation uncertainty
The key assumptions concerning the future and other key sources of estimation uncertainty at the financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of financial assets
The Investment Manager reviews periodically items classified as loans and receivables to assess whether a provision for impairment should be recorded in the statement of comprehensive income. The Investment Manager estimates the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgement and uncertainty.

Valuation of unquoted equity investments
Valuation of unquoted equity investments is normally based on one of the following:

- recent arm's length market transactions;
- current fair value of another instrument that is substantially the same;
- the expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics; or
- other valuation models.

5. CASH AND CASH EQUIVALENTS

	2011	2010
	US$	US$
Bank balances	3,751,010	35,722,823
Fixed deposits	5,000,000	-
	8,751,010	35,722,823

Fixed deposits with banks yield interest at 0.5% (2010: nil) per annum and mature within three months from the date of deposit.

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF INCOME

	Fair value at 31 December 2010	Additions during the year	Fair value adjustment at 31 December 2011	Fair value at 31 December 2011
	US$	US$	US$	US$
Unquoted investments:				
Project MPC	-	4,500,000	(1,088,379)	3,411,621
Project Master	83,939,405	-	12,893,247	96,832,652
Project City	79,948,455	19,924,970	47,759,310	147,632,735
	163,887,860	24,424,970	59,564,178	247,877,008

The financial assets at fair value through statement of income amounting to US$ 247,877,008 is carried at fair value as determined based on the independent third party valuation reports prepared using pricing models and discounted cash flow techniques that are based on non-observable market prices or rates for which an unrealised gain of US$ 59,564,178 (2010: US$ 30,019,727) was recognised in the statement of comprehensive income for the year.

7. LOANS AND RECEIVABLES

	2011	2010
	US$	US$
Convertible loan:		
At cost	20,000,000	20,000,000

The convertible loan to KGL International for Ports, Warehousing and Transport K.S.C.C. is for a period of five years with a final maturity date of 26 August 2012.

The loan is convertible at the option of the Fund into 2 million shares in Damietta International Ports Company. The Fund is entitled to convert the loan to shares at any time before its final settlement on 26 August 2012.

8. ACCRUED INTEREST

	2011	2010
	US$	US$
Interest due from KGL International for Ports and Warehousing K.S.C.C. (note 7)	7,563,836	7,563,836
Impairment provision during the year	(7,563,836)	-
	-	7,563,836

Due to unforeseen circumstances and current political situation in Egypt, till such time as the project is formally restarted the Fund has made a 100% impairment provision on the accrued interest receivable from KGL International for Ports and Warehousing K.S.C.C.

The Port Fund Limited Partnership
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Notes to the financial statements

For the year ended 31 December 2011

9. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties are General Partner, Limited Partners, Investment Manager, Directors, key management personnal and entities controlled, jointly controlled or significantly influanced by such parties. All related party transactions are carried out in the normal course of business and with the approval of the management.

The related party transactions and balances included in the financial statements that are not disclosed elsewhere are as follows:

	2011	2010
	US$	US$
Transactions		
Interest income	487,194	429,441
Statement of financial position		
Due from related party		
▪ KGL Investments K.S.C.C	6,070,923	7,687,184
Due to Investment Manager		
▪ KGL Investments Cayman Limited	27,917,589	18,364,345

In accordance with the Limited Partnership Agreement, 20% of the profit has been allocated to the Investment Manager KGL Investments Cayman Limited as performance fees.

In accordance with the Limited Partnership Agreement, 2% of the total capital commitments have been allocated to the Investment Manger, KGL Investments Cayman Limited as management fees.

10. GENERAL AND ADMINISTRATIVE EXPENSES

	2011	2010
	US$	US$
Administration expenses	538,848	128,114
Professional and legal fees	249,763	187,095
Interest on late payment (note 13)	905,922	-
Marketing expenses	72,088	-
Transaction fee	-	1,000,000
Others	106,090	80,288
	1,872,711	1,395,497

11. TAXATION

As per the Limited Partnership Agreement any tax liability arising on the activity of the Fund will be borne by the Partners.

12. FINANCIAL RISK MANAGEMENT

The Fund primarily invests in equity related investments in port management companies that operate ports in the fastest growing regions of the world which are the developing markets of the Asia, Africa and the Middle East. The objective of the Fund is to achieve long term capital appreciation through investments in entrepreneurial companies demonstrating the potential for significant growth derived from products and services with international market appeal and demonstrate and sustainable competitive advantages.

The Fund is exposed to a number of risks arising from the various financial instruments it holds. The main risk to which the Fund is exposed is; credit risk, market price risk, interest rate risk and liquidity risk. The risk management policies employed by the Fund to manage these risks are discussed below:

a. Market price risk

The Fund's unquoted investments are susceptible to market price risk arising from uncertainties about future values of investment securities. The Fund's advisor advises the Fund on the investments that have prospects to appreciate in value over the medium to long term period. The advisor's recommendations are reviewed by the General Partner before the investment decisions are implemented.

The performance of investments held by the Fund is monitored by the advisory committee on an ongoing basis and reviewed on a regular basis by the General Partner.

b. Currency risk

The Fund hold assets denominated in currencies other than US$, the functional and presentation currency of the Fund. Consequently the Fund is exposed to currency risk since the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates. The Fund's policy is not to enter into any currency hedging transactions.

The table below summarize the Fund's exposure to currency risks. Included in the tables are the Fund's assets and liabilities at fair values categorised by their base currencies:

12. FINANCIAL RISK MANAGEMENT (continued)

c. Concentration of assets and liabilities

As at 31 December 2011	Other currencies	United States Dollars	Total
	US$	US$	US$
Assets			
Convertible loan	-	20,000,000	20,000,000
Financial assets at fair value through statement of income	-	247,877,008	247,877,008
Due from related party	-	6,070,923	6,070,923
Cash and cash equivalents	393,029	8,357,981	8,751,010
Total assets	393,029	282,305,912	282,698,941
Liabilities			
Due to Investment Manager	-	(27,917,589)	(27,917,589)
Accrued expenses	-	(258,999)	(258,999)
Total net assets	393,029	254,129,324	254,522,353
As at 31 December 2010			
Assets			
Convertible loan	-	20,000,000	20,000,000
Financial assets at fair value through statement of income	-	163,887,860	163,887,860
Accrued interest	-	7,563,836	7,563,836
Prepayments and other receivables	-	7,554	7,554
Due from related party	-	7,687,184	7,687,184
Cash and cash equivalents	402,125	35,320,698	35,722,823
Total assets	402,125	234,467,132	234,869,257
Liabilities			
Due to investment manager	-	(18,364,345)	(18,364,345)
Accrued expenses	-	(195,537)	(195,537)
Total net assets	402,125	215,907,250	216,309,375

d. Interest rate risk

The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market. Interest income from fixed deposits may fluctuate in amount, in particular due to changes in the interest rates. Whilst the Fund seeks to optimise overall performance from the assets it holds, it does not seek to maximise interest income in view of its policy to focus on unquoted investments but one of its investments is in a convertible loan which earns interest.

The Port Fund Limited Partnership
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Notes to the financial statements

For the year ended 31 December 2011

12. FINANCIAL RISK MANAGEMENT (continued)

d. Interest rate risk (continued)

The following table analyses the interest rate composition of the Fund's net assets.

As at 31 December 2011	Interest bearing	Non-interest bearing	Total
	US$	US$	US$
Convertible loan	20,000,000	-	20,000,000
Financial assets at fair value through statement of income	-	247,877,008	247,877,008
Due from related party	6,070,923	-	6,070,923
Cash and cash equivalents	5,000,000	3,751,010	8,751,010
Due to Investment Manager	-	(27,917,589)	(27,917,589)
Accrued expenses	-	(258,999)	(258,999)
	31,070,923	223,710,429	254,522,353
As at 31 December 2010			
Convertible loan	20,000,000	-	20,000,000
Financial assets at fair value through statement of income	-	163,887,860	163,887,860
Accrued interest	-	7,563,836	7,563,836
Prepayments and other receivables	-	7,554	7,554
Due from related party	7,687,184	-	7,687,184
Cash and cash equivalents	-	35,722,823	35,722,823
Due to Investment Manager	-	(18,364,345)	(18,364,345)
Accrued expenses	-	(195,537)	(195,537)
	27,687,184	188,622,191	216,309,375

e. Liquidity risk

The liquidity risk is that the Fund cannot meet its financial obligations when they fall due. As at 31 December 2011, the amount available for call and other charges amounted to US$ 6,070,923. The Fund has no liquidity risk for the foreseeable future. Some of the investments are unquoted and are not readily realisable. The maturity profile of the Funds liabilities are as follows.

As at 31 December 2011	One to two years	Three to five years	Total
	US$	US$	US$
Due to Investment Manager	-	27,917,589	27,917,589
Accrued expenses	258,999	-	258,999
	258,999	27,917,589	28,176,588
As at 31 December 2010			
Due to Investment Manager	-	18,364,345	18,364,345
Accrued expenses	195,537	-	195,537
	195,537	18,364,345	18,559,882

12. FINANCIAL RISK MANAGEMENT (continued)

f. Fair value of financial instruments

Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Fund used discounted cash flow and other pricing models to value its investments in financial assets at fair value through statement of income that are based on non-observable prices or rates. The Fund's investments in financial assets at fair value through statement of income are classified within level 3 investments.

31 December 2011	**Level 3**
	US$
Financial assets at fair value through statement of income	
Unquoted investments	247,877,008

31 December 2010	**Level 3**
	US$
Financial assets at fair value through statement of income	
Unquoted investments	163,887,860

Reconciliation of Level 3 fair value measurements of financial assets at fair value through statement of income:

31 December 2011	**Financial assets at fair value through statement of income**
	US $
As at 1 January 2011	163,887,860
Additions during the year	24,424,970
Total gains or losses on valuation (net)	59,564,178
Ending balance	247,877,008

12. FINANCIAL RISK MANAGEMENT (continued)

f. Fair value of financial instruments (continued)

31 December 2010	Financial assets at fair value through statement of income
	US $
As at 1 January 2010	126,481,625
Additions during the year	9,075,000
Total gains or losses on valuation	30,019,727
Impairment loss	(1,688,492)
Ending balance	163,887,860

13. COMMITMENTS AND CONTINGENT LIABILITIES

	2011	2010
	US $	US $
Investment commitments	10,750,000	15,250,000

The total unfunded commitment of investment in MPC is USD 10,750,000 (2010: USD 15,250,000). This amount was not paid by the Fund pending MPC demonstrating to the Fund's satisfaction that it has complied in all material manners with the MPC's Private Placement Memorandum (PPM). MPC commenced its legal proceedings in Luxemburg against the Fund in January 2010 ("the proceedings"). The proceedings were a result of the disagreement between MPC and the Fund regarding their respective obligations and responsibilities as per the PPM. A settlement between MPC and the Fund was reached during 2011. Pursuant to this settlement agreement, the Fund contributed USD 4,500,000 towards its part of unpaid investment commitment in MPC and furthermore paid interest on late payment amounting USD 905,922. The total unfunded commitment in MPC is USD 10,750,000 at the financial position date.

14. CAPITAL ACCOUNTS

Movement during the year from 1 January 2011 to 31 December 2011

Limited Partners	Ownership	Total Commitment	Capital accounts at 31 December 2010	Profit for the year 2011	Capital accounts at 31 December 2011
	%	US$	US$	US$	US$
General Retirement and Social Insurance Authority, Qatar	6.90%	**9,852,000**	16.373.712	2.636.695	**19,010,407**
Gulf Investment Corporation	7.00%	**10,000,000**	16,619,683	2,674,908	**19,294,591**
Behbehani Investment Company	0.70%	**1,000,000**	1,661,969	267,491	**1,929,460**
The Public Institution For Social Security	28.00%	**40,000,000**	66.478.735	10,699,634	**77,178,369**
Yaqoub Behbehani	0.70%	**1,000,000**	1.661.969	267,491	**1,929,460**
Al Ahlia Holding Company	2.10%	**3,000,000**	4.985.906	802.473	**5,788,379**
Kuwait Reinsurance Company K.S.C.C	1.40%	**2,000,000**	3,323,936	534,982	**3,858,918**
Al Ahlia Insurance Company	2.10%	**3,000,000**	4.985.905	802.473	**5,788,378**
Mohammed Ali Al-Naki	2.10%	**3,000,000**	4.985,905	802.473	**5,788,378**
KGL Investment K.S.C.C	14.00%	**20,000,000**	33.239.369	5.349.816	**38,589,185**
Kuwait Ports Authority	35.00%	**50,000,000**	61.992.286	13.374.542	**75,366,828**
	100.00%	**142,852,000**	216.309.375	38.212.978	**254,522,353**

The Port Fund Limited Partnership
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The Investment Manager, General Partner and Professional Advisor of the Fund

Investment Manager:	KGL Investment Cayman Limited Walkers SPV Ltd Walkers House, 87 Mary Street, George Town Grand Cayman KY1-9002 Cayman Islands
General Partner:	Port Link GP Limited C/o Walkers SPV Ltd Walkers House, 87 Mary Street, George Town Grand Cayman KY1-9002 Cayman Islands
Bankers:	Al Ahli Bank of Kuwait - Kuwait Main Office, Kuwait City, Kuwait
Auditors:	BDO Al-Nisf & Partners P.O.Box: 25578 Safat 13116 Kuwait
Legal Advisors:	Walkers Dubai LLP 5th Floor, The Exchange Building Dubai International Finance Centre PO Box 506513 Dubai
Administrators:	TMF Mauritius Limited 3rd Floor, Raffles Tower 19 Cybercity Ebene, Republic of Mauritius

The Port Fund Limited Partnership
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Financial statements and independent auditor's report

For the year ended 31 December 2012

STATEMENT OF THE INVESTMENT MANAGER'S RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2012

The Investment Manager of the Fund is responsible for the preparation of the financial statements for each financial period in accordance with the Limited Partnership Agreement which give a true and fair view of the state of affairs of the Fund and of the net expenditure of the Fund for that year. In preparing those financial statements, the Investment Manager is required to:

- Select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the Limited Partnership will continue in business.

The Investment Manager is responsible for keeping the proper accounting records which disclose with reasonable accuracy at any time the financial position of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BDO

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Kuwait

INDEPENDENT AUDITOR'S REPORT TO THE LIMITED PARTNERS' OF THE PORT FUND LIMITED PARTNERSHIP

Report on the Financial Statements

We have audited the accompanying financial statements of The Port Fund Limited Partnership ("the Fund") which comprise the statement of financial position as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Fund Manager is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as at 31 December 2012, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Qais M. Al-Nisf
License No. 38-A
BDO Al Nisf & Partners

Kuwait: 23 April 2013

The Port Fund Limited Partnership
Cayman Islands

Statement of financial position

As at 31 December 2012

	Notes	2012 US$	2011 US$
Assets			
Cash and cash equivalents	5	383,634	8,751,010
Financial assets at fair value through profit or loss	6	332,060,873	247,877,008
Loans and receivables	7	28,050,000	20,000,000
Capital contribution receivable	8	35,000,000	-
Due from related party	9	5,491,762	6,070,923
Total assets		400,986,269	282,698,941
Liabilities			
Other payables and accrued expenses	10	14,927,127	258,999
Due to related parties	9	3,777,000	-
Due to Investment Manager	9	40,826,029	27,917,589
Total liabilities		59,530,156	28,176,588
Net assets		341,456,113	254,522,353
Represented by:			
Fund capital		178,152,000	142,852,000
Retained earnings		163,304,113	111,670,353
Total equity		341,456,113	254,522,353

The accompanying notes on pages 8 to 25 form an integral part of these financial statements.

Investment Manager

The Port Fund Limited Partnership
Cayman Islands

Statement of comprehensive income

For the year ended 31 December 2012

	Notes	2012 US$	2011 US$
Income			
Unrealised gain on financial assets at fair value through profit or loss (net)	6	68,433,865	59,564,178
Interest income		386,027	499,109
Other income		639,246	-
Total income		69,459,138	60,063,287
Expenses			
Management fees	9	(3,563,040)	(2,857,040)
General and administrative expenses	11	(1,351,495)	(1,872,711)
Impairment provision for accrued interest		-	(7,563,836)
Foreign exchange loss		(2,403)	(3,478)
Total expenses		(4,916,938)	(12,297,065)
Profit for the year		64,542,200	47,766,222
Other comprehensive income		-	-
Total comprehensive income for the year		64,542,200	47,766,222
Attributable to investment manager *	9	12,908,440	9,553,244
Attributable to limited partners		51,633,760	38,212,978
		64,542,200	47,766,222

* The profit allocation to the Investment Manager is as per S 4.2c of the Limited Partnership Agreement.

The accompanying notes on pages 8 to 25 form an integral part of these financial statements.

The Port Fund Limited Partnership
Cayman Islands

Statement of changes in equity

For the year ended 31 December 2012

	Fund capital US$	Retained earnings US$	Total equity US$
Balance at 31 December 2010	142,852,000	73,457,375	216,309,375
Total comprehensive income for the year attributable to limited partners	-	38,212,978	38,212,978
Balance at 31 December 2011	142,852,000	111,670,353	254,522,353
Capital contributions	35,300,000	-	35,300,000
Total comprehensive income for the year attributable to limited partners	-	51,633,760	51,633,760
Balance at 31 December 2012	178,152,000	163,304,113	341,456,113

The accompanying notes on pages 8 to 25 form an integral part of these financial statements.

The Port Fund Limited Partnership
Cayman Islands

Statement of cash flows

For the year ended 31 December 2012

	Note	2012 US$	2011 US$
OPERATING ACTIVITIES			
Profit for the year		64,542,200	47,766,222
Adjustments for:			
Interest income		(386,027)	(499,109)
Impairment provision for accrued interest		-	7,563,836
Unrealised gain on financial assets at fair value through profit or loss (net)		(68,433,865)	(59,564,178)
		(4,277,692)	(4,733,229)
Changes in operating assets and liabilities:			
Loans and receivables		(8,050,000)	-
Other receivables		-	7,554
Due from related party		856,022	2,103,455
Other payables and accrued expenses		3,918,128	63,462
Due to related parties		3,777,000	-
Net cash used in operating activities		(3,776,542)	(2,558,758)
INVESTING ACTIVITIES			
Additions to financial assets at fair value through profit or loss		(5,000,000)	(24,424,970)
Interest received		109,166	11,915
Net cash used in investing activities		(4,890,834)	(24,413,055)
FINANCING ACTIVITIES			
Capital contributions received		300,000	-
Net cash from financing activities		300,000	-
Net decrease in cash and cash equivalents		(8,367,376)	(26,971,813)
Cash and cash equivalents at beginning of the year		8,751,010	35,722,823
Cash and cash equivalents at end of the year	5	383,634	8,751,010

The accompanying notes on pages 8 to 25 form an integral part of these financial statements.

The Port Fund Limited Partnership
Cayman Islands

Notes to the financial statements

For the year ended 31 December 2012

1. GENERAL INFORMATION

The Port Fund Limited Partnership, ("the Fund") was established on 21 March 2007 and is registered as an exempt limited partnership in the Cayman Islands under the exempted Law (2003 Revision) of the Cayman Islands. The first closing acceptance of committed contributions was on 15 July 2007 and the final closing occurred on 31 December 2012.

The Fund will offer select sophisticated investors the opportunity to participate in the growth and consolidation of the port management industry and related sectors through selected private equity investments in high potential companies on a world wide basis.

The Port Link GP Limited ("General Partner") has appointed KGL Investment Cayman Limited ("Investment Manager") who is responsible for the preparation of the financial statements for each financial period in accordance with the Limited Partnership Agreement.

The term of the Fund ends on 31 December 2012, and by a resolution of the general partner on 28 July 2012, the term of the Fund was extended for another period of two years till 31 December 2014.

These financial statements of the Fund for the year ended 31 December 2012 were authorized for issue by the General Partner and the Investment Manager on 23 April 2013.

2. ADOPTION OF NEW / REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

2.1 New and revised IFRSs adopted by the Fund

The Fund has adopted the following amended IFRS during the year:

Amendments to IFRS 7, *'Financial instruments: Disclosures', on transfer of financial assets (Effective for annual periods beginning on or after 1 July 2011)*

The amendment requires additional disclosure about financial assets that have been transferred but not derecognised to enable the user of the Fund's financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendment requires disclosures about the entity's continuing involvement in derecognised assets to enable the users to evaluate the nature of, and risks associated with, such involvement. The amendment is effective for annual periods beginning on or after 1 July 2011. The adoption of the amendment did not have any impact on the financial position or performance of the Fund.

2.2 *New standards, interpretations and amendments not yet effective and not early adopted*

The Fund has not applied the following new and revised IFRSs that have been issued and are not yet effective for annual periods beginning on or after 1 January 2012:

2. ADOPTION OF NEW / REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (continued)

- ***Amendments to IAS 1 Presentation of Items of Other Comprehensive Income* (Effective for annual periods beginning on or after 1 July 2012)**

  The amendments to IAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to IAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that will be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis. The amendments to IAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods.

- ***Amendments to IAS 19 Employee benefits (as revised in 2011)* (Effective for annual periods beginning on or after 1 January 2013)**

  The amendments to IAS 19 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in define benefit obligations and plan assets. The amendments require recognition of changes in defined benefit obligations and fair value changes of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of IAS 19 and accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the statement of financial position to reflect the full value of the plan deficit or surplus. The amendments to IAS 19 are effective for annual periods beginning on or after 1 January 2013 and require retrospective application with certain exceptions.

- ***IAS 27 Separate Financial Statements (as revised in 2011) (Effective for annual periods beginning on or after 1 January 2013)***

  The amended version of IAS 27 now only deals with the requirements for separate financial statements, which have been carried over largely unchanged from IAS 27 Consolidated and Separate Financial Statements. The standard outlines the accounting and disclosure requirements for 'separate financial statements', which are financial statements prepared by a parent, or an investor in a joint venture or associate, where those investments are accounted for either at cost or in accordance with IAS 39 Financial Instruments: Recognition and Measurement or IFRS 9 Financial Instruments. The standard also outlines the accounting requirements for dividends and contains numerous disclosure requirements.

2. ADOPTION OF NEW / REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) (continued)

- ***IAS 28 Investments in Associates and Joint Ventures (as revised in 2011) (Effective for annual periods beginning on or after 1 January 2013)***

  As a consequence of the new IFRS 11 Joint Arrangements, and IFRS 12 Disclosure of Interests in Other Entities, IAS 28 Investments in Associates, has been renamed IAS 28 Investments in Associates and Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates. The revised standard becomes effective for annual periods beginning on or after 1 January 2013.

- ***Amendments to IAS 32 'Financial instruments: Presentation', on asset and liability offsetting (Effective for annual periods beginning on or after 1 January 2014)***

  These amendments are to the application guidance in IAS 32, 'Financial instruments: Presentation', and clarify some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position. The amendments to IAS 32 are effective for annual periods beginning on or after 1 January 2014 and require retrospective application

- ***Amendments to IFRS 7 Disclosures — Offsetting Financial Assets and Financial Liabilities (Effective for annual periods beginning on or after 1 January 2013)***

  These amendments require an entity to disclose information about rights to set-off and related arrangements (e.g., collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32 Financial Instruments: Presentation. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are set off in accordance with IAS 32. These amendments will not impact the Fund's financial position or performance and becomes effective for annual periods beginning on or after 1 January 2013.

- ***IFRS 9 'Financial instruments' (Effective for annual periods beginning on or after 1 January 2015)***

  The standard addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The guidance in IAS 39 on impairment of financial assets and hedge accounting continues to apply. The Fund is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no earlier than the accounting period beginning on or after 1 January 2015.

2. ADOPTION OF NEW / REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (continued)

- ***IFRS 10 'Consolidated financial statements' (Effective for annual periods beginning on or after 1 January 2013)***

  The standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The Group is yet to assess IFRS 10's full impact and become effective for annual periods beginning on or after 1 January 2013.

- ***IFRS 11 'Joint Arrangements' (Effective for annual periods beginning on or after 1 January 2013)***

  The standard replaces IAS 31 Interests in Joint Ventures. IFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. SIC-13 Jointly Controlled Entities – Non-monetary Contributions by Venturers has been withdrawn upon the issuance of IFRS 11. Under IFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under IAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.In addition, joint ventures under IFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under IAS 31 can be accounted for using the equity method of accounting or proportionate accounting. The Fund is yet to assess IFRS 11's full impact and becomes effective for annual periods beginning on or after 1 January 2013.

- ***IFRS 12 'Disclosures of interests in other entities' (Effective for annual periods beginning on or after 1 January 2013)***

  The standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The Fund is yet to assess IFRS 12's full impact and intends to adopt IFRS 12 no later than the accounting period beginning on or after 1 January 2013.

- ***IFRS 13 'Fair value measurement' (Effective for annual periods beginning on or after 1 January 2013)***

  The standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP. The Fund is yet to assess IFRS 13's full impact and intends to adopt IFRS 13 no later than the accounting period beginning on or after 1 January 2013.

2. ADOPTION OF NEW / REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (continued)

- ***Annual Improvements to IFRSs 2009-2011 Cycle (Effective for annual periods beginning on or after 1 January 2013):***

IFRS 1 *First-time Adoption of International Financial Reporting Standards*
This improvement clarifies that an entity that stopped applying IFRS in the past and chooses, or is required, to apply IFRS, has the option to re-apply IFRS 1. If IFRS 1 is not re-applied, an entity must retrospectively restate its financial statements as if it had never stopped applying IFRS.

IAS 1 Presentation of Financial Statements
This improvement clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative information is the previous period.

IAS 16 *Property Plant and Equipment*
This improvement clarifies that major spare parts and servicing equipment that meet the definition of property, plant and equipment are not inventory.

IAS 32 *Financial Instruments, Presentation*
This improvement clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with IAS 12 Income Taxes.

IAS 34 *Interim Financial Reporting*

The amendment aligns the disclosure requirements for total segment assets with total segment liabilities in interim financial statements. This clarification also ensures that interim disclosures are aligned with annual disclosures.

3. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs).

Basis of preparation

These financial statements are prepared on the historical cost basis except for measurement at fair value of financial assets at fair value through profit or loss.

These financial statements have been presented in United States Dollar (US$) which is the functional and presentation currency of the Fund.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments

Classification and measurement
The Fund classifies its financial assets as "financial assets at fair value through profit or loss" and "loans and receivables". Financial liabilities are classified as "other than at fair value through profit or loss". All financial instruments are initially recognised at its fair value plus transaction costs for all financial assets that are not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the profit or loss in the statement of comprehensive income.. The Investment Manager determines the appropriate classification of each instrument at the time of acquisition.

Financial assets at fair value through profit or loss (FVTPL)
Investments are classified as FVTPL where the financial asset is either held for trading or it is designated as FVTPL.

A financial asset is classified as held for trading if: (i) it has been acquired principally for the purpose of selling in the near future; or (ii) it is a part of an identified portfolio of financial instruments that the Fund manages together and has a recent actual pattern of short-term profit-taking; or (iii) it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as FVTPL upon initial recognition if: (i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or (ii) the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Fund's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or (iii) it forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss in the statement of comprehensive income. The net gain or loss recognised in the statement of comprehensive income incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described in note 13.

Loans and receivables
These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are subsequently remeasured and carried at amortised cost, less any provision for impairment. Loans and receivables include convertible loan, cash and cash equivalents and due from related parties.

Cash and cash equivalents
Cash and cash equivalents comprise of cash and bank balances, and fixed deposits with banks with an original maturity of three months or less from the placement date.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Amortised Cost
Amortised cost is computed by taking into account any discount or premium on acquisition of the financial instrument and fees and costs that are an integral part of the effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period. The effective interest rate method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period.

Financial Liabilities
Financial liabilities are classified as "other than at fair value through profit or loss". These are subsequently remeasured at amortised cost using the effective interest rate method. Financial liabilities represent due to Investment Manager.

Recognition and de-recognition

A financial asset or a financial liability is recognised when the Fund becomes a party to the contractual provisions of the instrument.

All 'regular way' purchase and sale of financial assets are recognized using trade date accounting. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulations or conventions in the market place.

A financial asset (in whole or in part) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Fund has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of ownership.

Impairment of financial assets
Financial assets are assessed for indicators of impairment at each financial position date. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been impacted.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. Individual impairment is identified at counterparty specific level; following objective evidence the financial asset is impaired. This may be after an interest or principal payment is defaulted or when a contract covenant is breached. The present value of estimated cash flow recoverable is determined after taking into account any security held.

The carrying amount of the financial asset is reduced by the impairment loss directly. If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Provisions

A provision is recognised in the statement of financial position when the Fund has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.
Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established. Gain on sale on investments is measured by the difference between the sale proceeds and the carrying amount of the investment at the date of disposal, and is recognized at the time of sale.

Management fees and performance fees are accrued when services are performed.

Accrued income

Accrued income is recognised at fair value.

Accrued expenses

Accrued expenses are recognized at cost.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currency translation

Foreign currency transactions are recorded in US$ at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into US$ at the rate of exchange prevailing on the financial position date. Resulting gains or losses on exchange are recorded as part of the results for the year.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY

In the application of the Fund's accounting policies, which are described in note 3, the Investment Manager is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgments, apart from those involving estimations (see below), that Investment Manager has made in the process of applying the Fund's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Classification of investments
The classification of investments depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Fund classifies all its investments at financial assets at FVTPL.

Key sources of estimation uncertainty
The key assumptions concerning the future and other key sources of estimation uncertainty at the financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of financial assets
The Investment Manager reviews periodically items classified as loans and receivables to assess whether a provision for impairment should be recorded in the statement of comprehensive income. The Investment Manager estimates the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY (continued)

Valuation of unquoted equity investments

Valuation of unquoted equity investments is normally based on one of the following:

- recent arm's length market transactions;
- current fair value of another instrument that is substantially the same;
- the expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics; or
- Other valuation models.

The determination of the cash flows and discount factors for unquoted investments requires significant estimation.

5. CASH AND CASH EQUIVALENTS

	2012 US$	2011 US$
Bank balances	383,634	3,751,010
Fixed deposits	-	5,000,000
	383,634	8,751,010

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

	Fair value at 31 December 2011 US$	Additions during the year US$	Unrealised gain / (loss) for the year US$	Fair value at 31 December 2012 US$
Unquoted investments:				
MPC Global Maritime Opportunities S.A. ("MPC-GMO")	3,411,621	10,750,000	(9,516,823)	4,644,798
Negros Navigation Corporation Inc. (NENACO)	96,832,652	-	1,339,585	98,172,237
Sabah Al-Ahmad Global Gateway Logistics City	147,632,735	5,000,000	76,611,103	229,243,838
	247,877,008	15,750,000	68,433,865	332,060,873

The investment in MPC-GMO (the "Fund") is carried at valuation based on the Net Assets Value of the Fund.

The investments in NENACO and Sabah Al-Ahmad Global Gateway Logistics City amounting to US$ 327,416,075 (2011: US$ 244,465,387) are carried at fair value as determined based on the independent third party valuation reports using pricing models and discounted cash flow techniques that are based on non-observable market prices or rates for which an unrealised gain of US$ 77,950,688 (2011: US$ 60,652,557) is recognised in the statement of comprehensive income for the year.

7. LOANS AND RECEIVABLES

	2012	2011
	US$	US$
Convertible loan	20,000,000	20,000,000
Other short term loan	8,050,000	-
	28,050,000	20,000,000

The convertible loan to KGL International for Ports, Warehousing and Transport K.S.C.C. was originally for a period of five years with a final maturity date of 26 August 2012, which has been extended for another two years with a final maturity date of 26 August 2014.

KGL International for Ports and Warehousing K.S.C.C has invested this loan in Damietta International Ports Company which is in Egypt. Due to unforeseen circumstances and current political situation in Egypt, till such time as the project is formally restarted, interest on the above convertible loan is not accrued.

The loan is convertible at the option of the Fund into two million shares in Damietta International Ports Company. The Fund is entitled to convert the loan to shares at any time before its final settlement on 26 August 2014.

Other short term loan represents an advance given to Sabah Al-Ahmad Global Gateway Logistics City, and is repayable on demand.

8. CAPITAL CONTRIBUTION RECEIVABLES

Capital contribution amounting to US$ 35,000,000 (2011: nil) is due from the limited partner, Kuwait Ports Authority which has been received in full on 17 April 2013.

9. RELATED PARTY TRANSACTIONS

Related parties are General Partner, Limited Partners, Investment Manager, Directors, key management personnal and entities controlled, jointly controlled or significantly influenced by such parties. All related party transactions are carried out in the normal course of business and with the approval of the management.

The related party transactions and balances included in the financial statements are as follows:

	2012	2011
	US$	US$
Statement of comprehensive income		
Income		
• Interest income	276,861	487,194
Expenses		
• Management fees	3,563,040	2,857,040
• Performances fees	12,908,440	9,553,244

9. RELATED PARTY TRANSACTIONS (continued)

Statement of financial position

	2012	2011
	US$	US$
Due from related parties:		
▪ Loans and receivables (note 7)	28,050,000	20,000,000
▪ KGL Investment Company K.S.C.C	5,491,762	6,070,923
Due to Investment Manager:		
▪ KGL Investments Cayman Limited	40,826,029	27,917,589
Due to related parties:		
▪ Petro Link Holding Company K.S.C.C	1,000,000	-
▪ KGL Investment Company K.S.C.C	2,777,000	-
	3,777,000	-

In accordance with the Limited Partnership Agreement, management fees representing 2% of the total capital commitments of the limited partners (note 15) have been accrued to the Investment Manger, KGL Investments Cayman Limited.

In accordance with the Limited Partnership Agreement, 20% of the profit for the year has been allocated to the Investment Manager KGL Investments Cayman Limited as performance fees.

10. OTHER PAYABLES AND ACCRUED EXPENSES

	2012	2011
	US$	US$
Capital contribution payable to MPC-GMO	10,750,000	-
Management fees payable	3,563,040	-
Others	614,087	258,999
	14,927,127	258,999

11. GENERAL AND ADMINISTRATIVE EXPENSES

	2012	2011
	US$	US$
Fund administration expenses	539,194	538,848
Professional and legal fees	140,334	249,763
Interest on late payment to MPC-GMO	580,709	905,922
Marketing expenses	-	72,088
Others	91,258	106,090
	1,351,495	1,872,711

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12. TAXATION

As per the Limited Partnership Agreement any tax liability arising on the activity of the Fund will be borne by Partners.

13. FINANCIAL RISK MANAGEMENT

The Fund primarily invests in equity related investments in port management companies that operate ports in the fastest growing regions of the world which are the developing markets of the Asia, Africa and the Middle East. The objective of the Fund is to achieve long term capital appreciation through investments in entrepreneurial companies demonstrating the potential for significant growth derived from products and services with international market appeal and demonstrate and sustainable competitive advantages. The Fund is exposed to a number of risks arising from the various financial instruments it holds. The main risk to which the Fund is exposed is; credit risk, market price risk, interest rate risk and liquidity risk. The risk management policies employed by the Fund to manage these risks are discussed below:

a. Market price risk

The Fund's unquoted investments are susceptible to market price risk arising from uncertainties about future values of investment securities. The Fund's advisor advises the Fund on the investments that have prospects to appreciate in value over the medium to long term period.
The advisor's recommendations are reviewed by the General Partner before the investment decisions are implemented. The performance of investments held by the Fund is monitored by the advisory committee on an ongoing basis and reviewed on a regular basis by the General Partner.

b. Currency risk

The Fund hold assets denominated in currencies other than US$, the functional and presentation currency of the Fund. Consequently the Fund is exposed to currency risk since the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates. The Fund's policy is not to enter into any currency hedging transactions.

The table below summarizes the Fund's exposure to currency risks. Included in the tables are the Fund's assets and liabilities at fair values categorised by their base currencies:

13. FINANCIAL RISK MANAGEMENT (continued)

c. Concentration of assets and liabilities

As at 31 December 2012	Other currencies	United States Dollars	Total
	US$	US$	US$
Assets			
Loans and advances	-	28,050,000	28,050,000
Financial assets at FVTPL	-	332,060,873	332,060,873
Due from related party	-	5,491,762	5,491,762
Capital contribution receivable	-	35,000,000	35,000,000
Cash and cash equivalents	285,286	98,348	383,634
Total assets	285,286	400,700,983	400,986,269
Liabilities			
Due to Investment Manager	-	(40,826,029)	(40,826,029)
Due to related parties	-	(3,777,000)	(3,777,000)
Other payables and accrued expenses	-	(14,927,127)	(14,927,127)
Total net assets	285,286	341,170,827	341,456,113
As at 31 December 2011			
Assets			
Loans and advances	-	20,000,000	20,000,000
Financial assets at FVTPL	-	247,877,008	247,877,008
Due from related party	-	6,070,923	6,070,923
Cash and cash equivalents	393,029	8,357,981	8,751,010
Total assets	393,029	282,305,912	282,698,941
Liabilities			
Due to investment manager	-	(27,917,589)	(27,917,589)
Other payables and accrued expenses	-	(258,999)	(258,999)
Total net assets	393,029	254,129,324	254,522,353

d. Interest rate risk

The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Interest income from fixed deposits may fluctuate in amount, in particular due to changes in the interest rates. Whilst the Fund seeks to optimise overall performance from the assets it holds, it does not seek to maximise interest income in view of its policy to focus on unquoted investments.

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13. FINANCIAL RISK MANAGEMENT (continued)

d. Interest rate risk (continued)

The following table analyses the interest rate composition of the Fund's net assets.

As at 31 December 2012	Interest bearing	Non-interest bearing	Total
	US$	US$	US$
Convertible loan	-	28,050,000	28,050,000
Financial assets at FVTPL	-	332,060,873	332,060,873
Cash and cash equivalents	-	383,634	383,634
Due from related party	5,491,762	-	5,491,762
Capital contribution receivables	-	35,000,000	35,000,000
Due to Investment Manager	-	(40,826,029)	(40,826,029)
Due to related parties	(2,777,000)	(1,000,000)	(3,777,000)
Other payables and accrued expenses	(10,750,000)	(4,177,127)	(14,927,127)
	(8,035,238)	349,491,351	341,456,113
As at 31 December 2011			
Convertible loan	-	20,000,000	20,000,000
Financial assets at FVTPL	-	247,877,008	247,877,008
Due from related party	6,070,923	-	6,070,923
Cash and cash equivalents	5,000,000	3,751,010	8,751,010
Due to Investment Manager	-	(27,917,589)	(27,917,589)
Other payables and accrued expenses	-	(258,999)	(258,999)
	11,070,923	243,451,430	254,522,353

e. Liquidity risk

The liquidity risk is that the Fund cannot meet its financial obligations when they fall due. The Fund has no liquidity risk for the foreseeable future. Some of the investments are unquoted and are not readily realisable. The maturity profile of the Funds liabilities are as follows.

As at 31 December 2012	Less than one year	Between one and two years	Total
	US$	US$	US$
Due to Investment Manager	-	40,826,029	40,826,029
Due to related parties	3,777,000	-	3,777,000
Other payables and accrued expenses	14,927,127		14,927,127
	18,704,127	40,826,029	59,530,156
As at 31 December 2011			
Due to Investment Manager	-	27,917,589	27,917,589
Other payables and accrued expenses	258,999	-	258,999
	258,999	27,917,589	28,176,588

13. FINANCIAL RISK MANAGEMENT (continued)

f. Fair value of financial instruments

Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Fund's investments in financial assets at FVTPL are classified within level 3 investments.

31 December 2012	**Level 3**
	US$
Financial assets at FVTPL	
Unquoted investments	332,060,873

31 December 2011	**Level 3**
	US$
Financial assets at FVTPL	
Unquoted investments	247,877,008

Reconciliation of Level 3 fair value measurements of financial assets at FVTPL:

31 December 2012	**Financial assets at FVTPL**
	US $
As at 1 January 2012	247,877,008
Additions during the year	15,750,000
Total gains or losses on valuation (net)	68,433,865
Ending balance	332,060,873

13. FINANCIAL RISK MANAGEMENT (continued)

f. Fair value of financial instruments (continued)

31 December 2011	Financial assets at FVTPL US $
As at 1 January 2011	163,887,860
Additions during the year	24,424,970
Total gains or losses on valuation (net)	59,564,178
Ending balance	247,877,008

14. COMMITMENTS AND CONTINGENT LIABILITIES

	2012 US $	2011 US $
Investment commitments	-	10,750,000

15. CAPITAL ACCOUNTS

Limited Partners

	Ownership	Total Commitments	Capital accounts at 31 December 2011	Capital contributions during 2012	Profit for the year 2012	Late payment fee adjustment for the year 2012	Capital accounts at 31 December 2012
	%	US$	US$	US$	US$	US$	US$
General Retirement and Social Insurance Authority, Qatar	6.06%	9,852,000	19,010,407	-	3,128,793	194,856	22,334,056
Gulf Investment Corporation	6.15%	10,000,000	19,294,591	-	3,174,138	197,680	22,666,409
Behbehani Investment Company	0.72%	1,300,000	1,929,460	300,000	370,861	(4,232)	2,596,089
The Public Institution For Social Security	24.59%	40,000,000	77,178,369	-	12,696,553	790,720	90,665,642
Yaqoub Behbehani	0.62%	1,000,000	1,929,460	-	317,414	19,768	2,266,642
Petro Link Holding Company K.S.C.C	1.84%	3,000,000	5,788,379	-	952,241	59,304	6,799,924
Kuwait Reinsurance Company K.S.C.C	1.23%	2,000,000	3,858,918	-	634,828	39,536	4,533,282
Al Ahlia Insurance Company	1.84%	3,000,000	5,788,378	-	952,241	59,304	6,799,923
Mohammed Ali Al-Naki	1.84%	3,000,000	5,788,378	-	952,241	59,304	6,799,923
KGL Investment K.S.C.C	12.30%	20,000,000	38,589,185	-	6,348,278	395,360	45,332,823
Kuwait Ports Authority	42.81%	85,000,000	75,366,828	35,000,000	22,106,172	(1,811,600)	130,661,400
	100.00%	178,152,000	254,522,353	35,300,000	51,633,760	-	341,456,113

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The Investment Manager, General Partner and Professional Advisor of the Fund

Investment Manager:	KGL Investment Cayman Limited Walkers SPV Ltd Walkers House, 87 Mary Street, George Town Grand Cayman KY1-9002 Cayman Islands
General Partner:	Port Link GP Limited C/o Walkers SPV Ltd Walkers House, 87 Mary Street, George Town Grand Cayman KY1-9002 Cayman Islands
Bankers:	Al Ahli Bank of Kuwait Main Office, Kuwait City, Kuwait
Auditors:	BDO Al-Nisf & Partners P.O.Box: 25578 Safat 13116 Kuwait
Legal Advisors:	Walkers Dubai LLP 5th Floor, The Exchange Building Dubai International Finance Centre P.O.Box 506513 Dubai
Administrators:	TMF Mauritius Limited 3rd Floor, Raffles Tower 19 Cybercity Ebene, Republic of Mauritius

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STATEMENT OF THE INVESTMENT MANAGER'S RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2013

The Investment Manager of the Fund is responsible for the preparation of the financial statements for each financial period in accordance with the Limited Partnership Agreement which give a true and fair view of the state of affairs of the Fund and of the net expenditure of the Fund for that year. In preparing those financial statements, the Investment Manager is required to:

- Select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the Limited Partnership will continue in business.

The Investment Manager is responsible for keeping the proper accounting records which disclose with reasonable accuracy at any time the financial position of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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INDEPENDENT AUDITOR'S REPORT TO THE LIMITED PARTNERS' OF THE PORT FUND LIMITED PARTNERSHIP

Report on the Financial Statements

We have audited the accompanying financial statements of The Port Fund Limited Partnership ("the Fund") which comprise the statement of financial position as at 31 December 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Fund Manager is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards ("IFRSs"), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as at 31 December 2013, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Qais M. Al-Nisf
License No. 38-A
BDO Al Nisf & Partners

Kuwait: 30 March 2014

The Port Fund Limited Partnership
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Statement of financial position
As at 31 December 2013

	Notes	2013 US$	2012 US$
Assets			
Cash and cash equivalents	5	13,974,120	383,634
Financial assets at fair value through profit or loss	6	444,284,879	332,060,873
Loans and receivables	7	20,000,000	28,050,000
Capital contribution receivable		-	35,000,000
Due from related party		5,177,516	5,491,762
Total assets		483,436,515	400,986,269
Liabilities			
Other payables and accrued expenses	9	7,299,205	14,927,127
Due to related parties		8,885,000	3,777,000
Due to Investment Manager		55,820,063	40,826,029
Total liabilities		72,004,268	59,530,156
Net assets		411,432,247	341,456,113
Represented by:			
Fund capital		188,152,000	178,152,000
Retained earnings		223,280,247	163,304,113
Total equity		411,432,247	341,456,113

The accompanying notes on pages 8 to 21 form an integral part of these financial statements.

Investment Manager

The Port Fund Limited Partnership
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Statement of comprehensive income
For the year ended 31 December 2013

	Notes	2013 US$	2012 US$
Income			
Unrealised gain on financial assets at fair value through profit or loss (net)	6	86,868,804	68,433,865
Realised loss on sale of financial assets at fair value through profit or loss	6	(2,594,209)	-
Interest income		382,726	386,027
Other income		-	639,246
Total income		84,657,321	69,459,138
Expenses			
Management fees	8	(3,022,280)	(3,563,040)
Success fees		(2,265,000)	-
Professional fees and charges		(2,777,015)	-
General and administrative expenses	10	(1,622,376)	(1,351,495)
Foreign exchange loss		(482)	(2,403)
Total expenses		(9,687,153)	(4,916,938)
Profit for the year		74,970,168	64,542,200
Other comprehensive income		-	-
Total comprehensive income for the year		74,970,168	64,542,200
Attributable to investment manager *	8	14,994,034	12,908,440
Attributable to limited partners		59,976,134	51,633,760
		74,970,168	64,542,200

* The profit allocation to the Investment Manager is as per S 4.2c of the Limited Partnership Agreement.

The accompanying notes on pages 8 to 21 form an integral part of these financial statements.

The Port Fund Limited Partnership
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Statement of changes in equity
For the year ended 31 December 2013

	Fund capital US$	Retained earnings US$	Total equity US$
Balance at 31 December 2011	142,852,000	111,670,353	254,522,353
Capital contributions	35,300,000	-	35,300,000
Total comprehensive income for the year attributable to limited partners	-	51,633,760	51,633,760
Balance at 31 December 2012	178,152,000	163,304,113	341,456,113
Capital contributions	10,000,000	-	10,000,000
Total comprehensive income for the year attributable to limited partners	-	59,976,134	59,976,134
Balance at 31 December 2013	188,152,000	223,280,247	411,432,247

The accompanying notes on pages 8 to 21 form an integral part of these financial statements.

The Port Fund Limited Partnership
Cayman Islands

Statement of cash flows
For the year ended 31 December 2013

	Notes	2013 US$	2012 US$
OPERATING ACTIVITIES			
Profit for the year		74,970,168	64,542,200
Adjustments for:			
Interest income		(382,726)	(386,027)
Unrealised gain on financial assets at fair value through profit or loss (net)		(86,868,804)	(68,433,865)
Realised loss on sale of financial assets at fair value through profit or loss		2,594,209	-
		(9,687,153)	(4,277,692)
Changes in operating assets and liabilities:			
Loans and receivables		-	(8,050,000)
Capital contribution receivable		35,000,000	-
Due from/to related parties- net		5,422,245	4,633,022
Other payables and accrued expenses		(5,194,725)	3,918,128
Net cash generated from/(used in) operating activities		25,540,367	(3,776,542)
INVESTING ACTIVITIES			
Additions to financial assets at fair value through profit or loss		(21,950,000)	(5,000,000)
Interest received		119	109,166
Net cash used in investing activities		(21,949,881)	(4,890,834)
FINANCING ACTIVITIES			
Capital contributions received		10,000,000	300,000
Net cash from financing activities		10,000,000	300,000
Net increase/(decrease) in cash and cash equivalents		13,590,486	(8,367,376)
Cash and cash equivalents at beginning of the year		383,634	8,751,010
Cash and cash equivalents at end of the year	5	13,974,120	383,634

<u>Non-cash transactions</u>

Transfer of other short term loan to financial assets at FVTPL	6	8,050,000	-
Liquidation value of investment in MPC – GMO, offset against the obligation	6	2,050,589	-

The accompanying notes on pages 8 to 21 form an integral part of these financial statements.

1. GENERAL INFORMATION

The Port Fund Limited Partnership, ("the Fund") was established on 21 March 2007 and is registered as an exempt limited partnership in the Cayman Islands under the exempted Law (2003 Revision) of the Cayman Islands. The first closing acceptance of committed contributions was on 15 July 2007 and the final closing occurred on 31 December 2012.

The Fund will offer select sophisticated investors the opportunity to participate in the growth and consolidation of the port management industry and related sectors through selected private equity investments in high potential companies on a world wide basis.

The Port Link GP Limited ("General Partner") has appointed KGL Investment Cayman Limited ("Investment Manager") who is responsible for the preparation of the financial statements for each financial period in accordance with the Limited Partnership Agreement.

The term of the Fund ends on 31 December 2012, and by a resolution of the General Partner on 28 July 2012, the term of the Fund was extended for another period of two years till 31 December 2014.

These financial statements of the Fund for the year ended 31 December 2013 were authorized for issue by the General Partner and the Investment Manager on 30 March 2014.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

a) New standards, interpretations and amendments effective from 1 January 2013

The Fund has adopted the following amended IFRS during the year.

- ***Amendments to IAS 1 Presentation of Items of Other Comprehensive Income (Effective for annual periods beginning on or after 1July 2012)***

  The amendments to IAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to IAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that will be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis. The amendment has not impacted the Fund's financial position or performance on adoption for annual periods beginning on or after 1 January 2013. The presentation of items of other comprehensive income will be modified accordingly as and when they are applicable in the future accounting periods.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (continued)

a) New standards, interpretations and amendments effective from 1 January 2013 (continued)

- ***IFRS 13 'Fair value measurement' (Effective for annual periods beginning on or after January 1, 2013)***

  IFRS 13 sets out the framework for determining the measurement of fair value and the disclosure of information relating to fair value measurement, when fair value measurements and/or disclosures are required or permitted by other IFRSs.

  As a result, the guidance and requirements relating to fair value measurement that were previously located in other IFRSs have now been relocated to IFRS 13.

  While there has been some rewording of the previous guidance, there are few changes to the previous fair value measurement requirements. Instead, IFRS 13 is intended to clarify the measurement objective, harmonise the disclosure requirements, and improve consistency in application of fair value measurement.

  IFRS 13 did not materially affect any fair value measurements of the Fund's assets or liabilities, with changes being limited to presentation and disclosure, and therefore has no effect on the Fund's financial position or performance.

  In addition, IFRS 13 is to be applied prospectively and therefore comparative disclosures have not been presented.

b) New standards, interpretations and amendments not yet effective

The Fund has not applied the following new and revised IFRSs that have been issued but are not yet effective for annual periods beginning on or after 1 January 2013:

- ***IFRS 9 'Financial instruments (2009)' (Effective for annual periods beginning on or after 1 January 2015)***

  The standard addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (continued)

b) New standards, interpretations and amendments not yet effective (continued)

- ***IFRS 9 'Financial instruments (2013)' (Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39) (Effective for annual periods beginning on or after January 1, 2015)***

  A revised version of IFRS 9 incorporating revised requirements a new chapter to IFRS 9 on hedge accounting, putting in place a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures. It also permits an entity to apply only the requirements introduced in IFRS 9 (2010) for the presentation of gains and losses on financial liabilities designated as at fair value through profit or loss without applying the other requirements of IFRS 9, meaning the portion of the change in fair value related to changes in the entity's own credit risk can be presented in other comprehensive income rather than within profit or loss.

  The revised version also removes the mandatory effective date of IFRS 9 (2013), IFRS 9 (2010) and IFRS 9 (2009), leaving the effective date open pending the finalisation of the impairment and classification and measurement requirements. Notwithstanding the removal of an effective date, each standard remains available for application.

  The Fund is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no earlier than the accounting period beginning on or after 1 January 2015.

3. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs).

Basis of preparation

These financial statements are prepared on the historical cost basis except for measurement at fair value of financial assets at fair value through profit or loss.

These financial statements have been presented in United States Dollar (US$) which is the functional and presentation currency of the Fund.

Financial Instruments

Classification and measurement
The Fund classifies its financial assets as "financial assets at fair value through profit or loss" and "loans and receivables". Financial liabilities are classified as "other than at fair value through profit or loss". All financial instruments are initially recognised at its fair value plus transaction costs for all financial assets that are not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the profit or loss in the statement of comprehensive income.. The Investment Manager determines the appropriate classification of each instrument at the time of acquisition.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Financial assets at fair value through profit or loss (FVTPL)
Investments are classified as FVTPL where the financial asset is either held for trading or it is designated as FVTPL.

A financial asset is classified as held for trading if: (i) it has been acquired principally for the purpose of selling in the near future; or (ii) it is a part of an identified portfolio of financial instruments that the Fund manages together and has a recent actual pattern of short-term profit-taking; or (iii) it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as FVTPL upon initial recognition if: (i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or (ii) the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Fund's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or (iii) it forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss in the statement of comprehensive income. The net gain or loss recognised in the statement of comprehensive income incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described in note 13.

Loans and receivables
These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are subsequently remeasured and carried at amortised cost, less any provision for impairment. Loans and receivables include convertible loan, cash and cash equivalents and due from related parties.

Cash and cash equivalents
Cash and cash equivalents comprise of cash and bank balances, and fixed deposits with banks with an original maturity of three months or less from the placement date.

Amoritsed Cost
Amortised cost is computed by taking into account any discount or premium on acquisition of the financial instrument and fees and costs that are an integral part of the effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period. The effective interest rate method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period.

Financial Liabilities
Financial liabilities are classified as "other than at fair value through profit or loss". These are subsequently remeasured at amortised cost using the effective interest rate method. Financial liabilities represent due to Investment Manager.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Recognition and de-recognition
A financial asset or a financial liability is recognised when the Fund becomes a party to the contractual provisions of the instrument.

All 'regular way' purchase and sale of financial assets are recognized using trade date accounting. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulations or conventions in the market place.

A financial asset (in whole or in part) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Fund has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of ownership.

Impairment of financial assets
Financial assets are assessed for indicators of impairment at each financial position date. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been impacted.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. Individual impairment is identified at counterparty specific level; following objective evidence the financial asset is impaired. This may be after an interest or principal payment is defaulted or when a contract covenant is breached. The present value of estimated cash flow recoverable is determined after taking into account any security held.

The carrying amount of the financial asset is reduced by the impairment loss directly. If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Provisions

A provision is recognised in the statement of financial position when the Fund has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

The Port Fund Limited Partnership
Cayman Islands

Notes to the financial statements
For the year ended 31 December 2013

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.
Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established. Gain on sale on investments is measured by the difference between the sale proceeds and the carrying amount of the investment at the date of disposal, and is recognized at the time of sale.

Management fees and performance fees are accrued when services are performed.

Accrued income

Accrued income is recognised at fair value.

Accrued expenses

Accrued expenses are recognized at cost.

Foreign currency translation

Foreign currency transactions are recorded in US$ at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into US$ at the rate of exchange prevailing on the financial position date. Resulting gains or losses on exchange are recorded as part of the results for the year.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY

In the application of the Fund's accounting policies, which are described in note 3, the Investment Manager is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgments, apart from those involving estimations (see below), that Investment Manager has made in the process of applying the Fund's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Classification of investments
The classification of investments depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Fund classifies all its investments at financial assets at FVTPL.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY (continued)

Key sources of estimation uncertainty
The key assumptions concerning the future and other key sources of estimation uncertainty at the financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of financial assets
The Investment Manager reviews periodically items classified as loans and receivables to assess whether a provision for impairment should be recorded in the statement of comprehensive income. The Investment Manager estimates the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty.

Valuation of unquoted equity investments
Valuation of unquoted equity investments is normally based on one of the following:
- recent arm's length market transactions;
- current fair value of another instrument that is substantially the same;
- the expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics; or
- Other valuation models.

The determination of the cash flows and discount factors for unquoted investments requires significant estimation.

5. CASH AND CASH EQUIVALENTS

	2013	2012
	US$	US$
Bank balances	13,974,120	383,634
	13,974,120	383,634

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

	Fair value at 31 December 2012	Additions during the year	Disposals during the year	Unrealised gain for the year	Fair value at 31 December 2013
	US$	US$	US$	US$	US$
Unquoted investments:					
MPC Global Maritime Opportunities S.A. ("MPC-GMO")	4,644,798	-	(4,644,798)	-	-
Negros Navigation Corporation Inc. (NENACO)	98,172,237	-	-	3,334,375	101,506,612
Sabah Al-Ahmad Global Gateway Logistics City	229,243,838	30,000,000	-	83,534,429	342,778,267
	332,060,873	30,000,000	(4,644,798)	86,868,804	444,284,879

Additions include an amount of US$ 8,050,000 transferred from other short term loans (note 7).